



GOVERNMENT OF GUJARAT

EDUCATION & LABOUR DEPARTMENT

# REPORT

OF THE

# NORMS COMMITTEE



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1965

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## NORMS COMMITTEE



*Chairman*

SHRI A. V. VYAS, M. A., LL. B.

*Members*

SHRI K. K. TRIPATHI, B. SC. LL. B.,

SHRI N. M. BAROT, B. A., LL. B.

*Secretary*

SHRI A. N. RAM, B. SC. (HONS.)



BARODA

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## CHAPTER I

### INTRODUCTION

A Norms Committee was constituted by the Government of Gujarat in Education and Labour Department, under its Resolution No. IDA-1060-H, dated 20th January, 1962, for the purpose of evolving norms in respect of various matters which form the subject matter of industrial disputes between employers and workmen in 25 specified industries. :

The Composition of the Committee was originally as follows :—

Shri A. V. Vyas	.. Chairman, Deputy Commissioner of Labour, Ahmedabad.
Shri Chandraprasad H. Desai	.. Member ( Non-Official )
Shri Navinchandra Motilal Barot	.. Member ( Non-Official )

On 10th September 1962, Shri Chandraprasad H. Desai, resigned and in his place Shri K. K. Tripathi. was appointed.

Shri A. N. Ram, Assistant Commissioner of Labour, Ahmedabad, was appointed as the Secretary of the Committee.

The terms of reference were to examine the settlements, agreements and awards made under the Industrial Disputes Act, 1947 from 1st January 1953 to 31st December, 1961, and then to suggest Norms in relation to various industrial matters other than those relating to Wages and Dearness Allowance, which formed subject matter of disputes in the industries listed below :—

- |                           |  |
|---------------------------|--|
| 1. Engineering,           | 15. Printing Presses,                    |
| 2. Chemical,              | 16. Rubber,                              |
| 3. Match,                 | 17. Hotels and Restaurants,              |
| 4. Oils,                  | 18. Bidi,                                |
| 5. Papers,                | 19. Cotton Ginning and Pressing,         |
| 6. Local Authorities,     | 20. Wood and Furniture,                  |
| 7. Hospitals,             | 21. Stone Breaking and Stone Crushing.   |
| 8. Leather and Tanneries, | 22. Shops and Commercial Establishments. |
| 9. Salt,                  | 23. Snuff,                               |
| 10. Glass,                | 24. Potteries,                           |
| 11. Film,                 | 25. Cement.                              |
| 12. Pharmaceuticals,      |  |
| 13. Paints and Varnishes, |  |
| 14. Soaps,                |  |

Soon after the appointment of the Committee a meeting was called to discuss the scope of the committee and various other precedural matters. It was decided by the committee to issue questionnaire to the employers and their Associations and Trade Unions with a view to eliciting their views in respect of fixation of Norms on various industrial matters. It was also necessary to draw tentative list of industrial matters in respect of which the committee proposed to suggest norms. Such a list was prepared and was sent along with the circular letters forwarding the questionnaires to the employers, their Associations and Trade Unions.

The next question before the committee was to adopt a specific definition for each industry in respect of which norms were to be evolved. After careful consideration of the statement of definitions and keeping in view the nature of the enquiry, the Committee adopted the following definitions of industries for the purpose of classification of settlements, agreements and awards.

### DEFINITION OF INDUSTRIES

1. *Engineering*.—Manufacturing (including Smelting, Refining) of Non-Ferrous Metals and Alloys in Basic Forms; Armaments; Structural Steel Products - such as Joint Rail, Sheet, Plate; Manufacturing of Iron and Steel including Smelting, Refining, Rolling, Conversion into Basic Forms, such as Billets, Blooms, Tubes, Rods, Pig Irons and Ferro Alloys, Steel Ingots and Metal for castings, Semi-finished Steel, Finished Steel, Steel Pipes and Tubes, Iron and Steel Furniture; Brass and Bell Metal Products, Aluminium Products; other metal products such as Tin Can; Sundry Hardwares (including Agricultural Implements) — Such as G. I. Pipes, Wirenet, Nut, Bolt, Washer, Screw, Bucket, Cauldron, Cutlery; Enamelling, Galvanising, Plating (including Electroplating) Polishing and Welding of Metal Products; Manufacturing, Assembling, Repairing and Servicing of Machinery of all kinds including Transport and Electrical Equipments (*e. g.* Prime-Movers, Boilers, Diesel Engines, Road Rollers, Machine Tools); Textile Machinery and Accessories; Heavy Electrical Machinery and Equipments such as Motors, Generators, Transformers, Electric Lamps and Fans, Insulated Wires and Cables; Batteries; Electronic Equipments such as Radio Microphone, Electric Appliances and Apparatus; Locomotives, Wagons, Coaches, Tramway, and other Rail Road Equipments (such as sleepers), Motor Vehicles of all types, Motor Vehicle, Engine parts and Accessories; Bicycles, Tricycles and Accessories such as Saddle, Seat, Frame, Gear; Water Transport Equipment, such as Ships, Boats and Marine Engines; Air Transport Equipment including Aeroplanes, Aero-engines and other Transport Equipments such as Animal drawn and Hand-drawn Vehicles.

2. *Chemicals*.—Manufacturing of Basic Industrial Chemicals such as Acids, Alkalis and their Salts, Glue and Industrial gases and Solvents, Chemical Starch, Fertilizers, Ammunitions, Explosives and Fire Works; Turpentine; Synthetics and Synthetic Resin and Plastic Products and materials.

3. *Match*.—Manufacturing of matches.

4. *Oils*.—Production of Ghee, Butter, Cheese, Edible Fats and Oils including Hydrogenated oil.

5. *Papers*.—Manufacturing of (i) Pulp from wood, Rags, Waste-paper and other Fibres and conversion of such pulp into any kind of paper and paper Board (ii) Products such as paper bags, Boxes, Cards, Envelopes and moulded pulp goods from paper, paper board and pulp.

6. *Local Authority*.—Municipal Corporations, Municipalities, Local Boards, or other authority legally entitled to or entrusted by the Government with the control or management of a municipal or local fund.

7. *Hospitals*.—Hospitals and Clinics, Sanatoria, Nursing Homes, Maternity and Child Welfare Clinics and Veterinary Hospitals and Family Planning Centres.

8. *Leather and Tanneries.* —(i) Currying, Tanning and Finishing of Hides and Skins and Preparation of Finished Leather, (ii) Manufacturing of Clothing and Wearing Apparel made of Leather and fur, (iii) Manufacturing of Shoes and other Leather Footwear, (iv) Manufacturing of Leather Products such as Leather Upholstery, Suitcases, Pocket Books, Cigarette and Key cases, Purses, Saddlery, Whip and other articles, Leather Cloth, Pickers, Picking Bands, Leather Belting.

9. *Salt.* —Manufacturing of Common Salt ( both marine and inland salt works ).

10. *Glass.* —(i) Manufacturing of Glass Bangles and Beads, (ii) Manufacture of Glass and Glass Apparatus (iii) Manufacturing of Glass and Glass Products, except Optical and Photographic lenses.

11. *Film.* —(i) Production of Motion Pictures and Allied Services such as Film Processing, etc. (ii) Exhibition of Motion Pictures by Cinema Houses.

12. *Pharmaceuticals.* —Manufacturing of Medicinal preparations, Pharmaceutical Preparations, Perfumes, Cosmetic and other Toilet preparations except soap.

13. *Paints and Varnishes.* — Manufacturing of Dyes, Paints, Colours and Varnishes.

14. *Soaps.* —Manufacturing of Soap and other Washing and Cleaning Compounds.

15. *Printing Presses.* —(i) Printing and Publishing of News-papers, Periodicals and Books, (ii) All other type of printing including Lithography, Engraving, Etching, Block Making, Binding, Stitching, Sizing and other work connected with printing and binding.

16. *Rubber.* —Manufacturing of Tyres, Tubes, Rubber, Footwear, Rubber Goods used for industrial purpose and all kinds of other Rubber Products including Rubber Raincoats, Dipped Rubber Goods ( Toys, balloons, nipples, valves, etc. ) Hoses, Belting, Rubber components of Railway fittings ( springs and compounds ) ebonite sheets, rods, tubes, water-proof fabrics, latex foam sponge camel back etc.

17. *Hotels and Restaurants.* — Hotels, Boarding Houses, Eating Houses, Cafe, Restaurants and similar other Organisations to provide lodging and Boarding facilities including Canteens in Factories and Offices, but excluding School and College Hostels.

18. *Bidi.* —Manufacturing of Bidis.

19. *Cotton Ginning and Pressing.* —Cotton Ginning and Pressing including Cleaning.

20. *Wood and Furniture.* —(i) Sawing and Planning of wood, (ii) Manufacturing of Wooden Furniture, Fixtures, Structural Wooden Goods ( including Treated Timber ) such as beams, posts, doors, windows, wooden industrial goods, other than Transport Equipments and Fixtures ; other wooden products such as Utensils, Toys, Artwares, Veneer and Plywoods ; Plywood Products such as Tea chest : Boxes and Packing cases other than of plywood and other wood and allied products.

21. *Stone Breaking and Stone Crushing.*—Stone Breaking and Stone Crushing.

22. *Shops and Commercial Establishments.*—As defined under the Bombay Shops and Establishments Act, 1948, excluding (i) those covered by Industries specified above, (ii) Banking and Insurance Companies.

23. *Snuff.*—Manufacturing of Snuff and other Allied Processes.

24. *Potteries.*—Manufacturing of Ceramics whitewares Sanitary Wares; Stone Wares including Pipes ; Glazed Tiles, Insulators (H. T. and L. T.) Refractories, Couted Abrasives, Roof Tiles.

25. *Cement.*—Manufacturing of Cement and Cement Products, such as manufacturing of flooring Mosaic Tiles, R. C. C. Pipes and Allied Products i.e. Hume Pipes, Hume Steel Pipes, Prestressed Concrete Pipes and Poles etc.

It was felt that as the ultimate recommendations of the committee were likely to affect a very large number of persons, it would be appropriate to elicit the views of the employers and unions concerned. Accordingly a circular letter was issued by the Committee.

The questionnaires were issued to 3635 parties. The response was rather poor and only 842 replies were received after issue of reminders. The contents of these replies were far from satisfactory and in a number of cases back queries had to be made to get complete information. However, in spite of our efforts in some cases the required information was not received and where information was received (excepting for a few) the particulars were far from satisfactory.

The Committee had also visited important industrial centres viz. Surat, Baroda, Rajkot, Jamnagar, Bhavnagar, Veraval and Porbandar, for eliciting the views of employers and workmen in respect of fixation of Norms. The representatives of employers and workmen from the other districts adjoining these centres were also called for discussions and furnishing information and their views were recorded. The parties from the remaining districts were called at Ahmedabad for recording their evidence. In all 1089 parties were called but only 164 parties appeared before the Committee and their Evidences were recorded.

The Committee had examined 1242 awards, agreements and settlements made under the Industrial Disputes Act, 1947, during the period 1st January 1953 to 31st December 1961. The information in respect of important industrial matters has been included in a tabular form as appendices to this report. The Committee held 30 sittings in all. These include the sittings for discussions on the data collected from Awards, Settlements and Agreements, the information received in response to the questionnaire and the views expressed by the employers and employees in oral evidence. It has then suggested Norms on various industrial matters.

The report was required to be submitted within a period of six months from the date of resolution, but this period was extended upto 28th February 1963 by Government Resolution, Education and Labour Department No. No. IDA-1062-H, dated 7th November, 1962. This period was further extended upto 30th June 1963, by Government Resolution Education and Labour Department No. IDA-1063-H, dated 5th March 1963.

During the course of oral evidence, some union representatives appeared to have an apprehension that fixation of Norms may handicap their case for further improving the conditions of labour. It was feared that the norms may be treated as the upper limit. On the other hand some managements (especially of small concerns) had stated that fixation of norms may result in driving many industries which are financially back-ward, out of existence. It was stated by some of the representatives of the unions that the Norms fixed by the Committee should be obligatory. It was made clear that the norms which the Committee would fix were recommendatory and it was ultimately for the parties concerned to decide by means of collective bargaining etc. as to what should be the actual conditions of service in a particular unit, taking into account other relevant factors.

The question of norms has been discussed at the meetings of the Indian Labour Conference and the Standing Labour Committees and there has been unanimous agreement in regard to the necessity of evolving Norms. The Indian Labour Conference held at Madras in 1959, had suggested that "the principles and norms enunciated in awards and judicial decisions on important issues relating to industrial relations should be compiled, codified and published and made available for the guidance of arbitrators.

The Committee feels that the underlying object is to evolve norms after studying the decisions of the various Tribunals etc. so that employers, workers, Conciliation Officers, Industrial Tribunals, Labour Courts etc. would have definite ideas as to the conditions prevailing in the industries and regions concerned and may be able to settle or decide industrial disputes with reference to these norms. The norms would facilitate discussions across the table and it would be conducive to better industrial relations and peace. It is felt that the fixation of norms would not in any way hamper collective bargaining. It would also not impede against acquirement of still better conditions of service than those determined by norms. For instance where in any region the Tribunal has awarded some benefit in respect of an industrial matter in 3 or 4 concerns in one industry, it may be a norm for that industry in that region and if any dispute in another concern in that industry and in that region arises about the same industrial matter, the employers and workers would be guided by this norm. In a case where the concern has unlimited capacity to bear additional financial burden, the unions would be free to raise disputes so as to procure conditions of services higher than those evolved by the norms and it is ultimately for the parties to negotiate and arrive at a settlement. Similarly, the misgivings of some employers that fixation of norms would tend to increase industrial disputes and ultimately impose additional financial burden on them is also unfounded. It is the considered view of the Committee that norms are absolutely essential as they serve as pointers which have to be considered by all the parties concerned.

## CHAPTER II

### VIEWS OF EMPLOYERS AND EMPLOYEES

Adequate opportunity was given to the parties to place their views before the Committee by the issue of Press Note, questionnaire and by recording oral evidence at the time of visit to the different areas of the State. The workmen have generally welcomed the appointment of the Committee. Some of the employers have, however, taken a pessimistic view.

The Gujarat Vepari Maha Mandal, Ahmedabad, emphasised the need for proper enforcement of the existing labour laws which had made provision in respect of certain industrial matters. As regards the question of bonus, the Maha Mandal did not prefer a separate norm for bonus, as a Bonus Commission had already been appointed by the Government of India. The Association went on to observe—

“The conditions vary from industry to industry, size of the industry, type of industry, location, profitability etc. Moreover, problems facing different industries are also quite different. Under such widely varying conditions of industries, it would be extremely difficult for the Committee to recommend uniform set of norms applicable to all units and all industries. It is needless to emphasize that norms if any which may be evolved are not adequately and correctly related to the capacity of the industries to pay, it may not only impose severe burden on the growing industries but may also in the long run retard the industrial growth in this region.”

The association was of the view that small scale industries should be excluded from the purview of the inquiry and the norms should be fixed for other industries only after making detailed study regarding their views, their financial position etc.

The Federation of Gujarat Mills and Industries, Baroda, had only forwarded a copy of its views which it had submitted to the Bombay Norms Committee. The Federation was of the view that matters like bonus, gratuity and provident fund should be enforced by suitable legislation. As far as question of retiring age was concerned, the Federation suggested that this should be fixed by common set of Standing Orders like Model Standing Orders.

The Saurashtra Chamber of Commerce, Bhavnagar, has opined that norms should not be fixed for industrial matters which are the subject matter of labour legislation, further that norms could not be fixed uniformly because conditions vary from industry to industry. The Chamber was further of the view that the fixation of norms would give rise to more industrial disputes.

The Gujarat Bidi Factory Owners' Association, Borsad, had pointed out the difficulty faced by the Bidi Industry in this State as a result of competition from adjoining States where the wages were less. It was also suggested that the Bidi Industry should even be exempted from the operation of provisions of leave and weekly holidays. Views of some of the individual employers are given below :—

#### ENGINEERING INDUSTRY

*Zach Rajguru Mfg. Co., Ahmedabad :*

“We believe in industrial peace and as such whatever amenities consistent with the stability of the concern can be given, may be given to the workers.”

*Hind Sewing Machine Works, Ahmedabad :*

“ There should be minimum of Government interference in labour relations and things should be left to bargaining mutually.”

*Mohanlal Rughnath Iron and Brass Factory, Ahmedabad :*

“ There should be minimum legislative interference in such matters and the parties should be left to bargain freely.”

*Western Moulding Works, Ahmedabad :*

“ In fixing the norms the bias should be on productivity.”

*National Machinery Mfg. Works, Ahmedabad:*

“ For uniformity and for the systematic working of the unit and the industry on the whole it is necessary that some rules and regulations be framed.”.

*Vinnitin Industries, Baroda:*

“ Care should be taken so that fixation of norms may not be burdensome on small industries employing less than 50 workmen.”

*Jamnadas & Co., Surat:*

“ It will be a matter of great obligation on the part of the employees and employers if definite rules and regulations are framed for the industrial matters. If the interest of the industry itself with the mutual interest of the employees and employers shall be observed it will be much of use to avoid future conflicts resulting from misunderstanding in absence of rigid authentic norms.”

*Cast Iron Foundry, Joravarnagar:*

“ Norms should be fixed in such a way that there should be no additional heavy burden on small industry.”

*R. V. Gajjar & Co., Jamnagar :*

“Brass parts industries are small industries and special norms should be made and these should be of such nature that it may help smooth running of the industry. It should not be put on the basis of big industries.”

*Patel Engineering Works, Rajkot:*

Shri Chandrakant Gandhi of the Patel Engineering Works, Rajkot, gave oral evidence before the Committee to the effect that “ fixation of norms are essential as it would enable the unorganised labour to get the same benefits as organised labour.” He further stated that “ no industry has any right to exploit the workers and that norms must be applied to all the units because provision of better facilities to labour will increase productivity. Norms will be a sort of guidance to employers and they can enforce them if they desire. If different norms are fixed for different regions industrialists may think of installing industries at places where norms are lower, which is not desirable.”

## CHEMICAL INDUSTRY

*Maize Products, Kathwada:*

“The management was of the opinion that most of the allowances mentioned in the list sent by the Committee would only increase the burden on the industry. It was essential that the present wage packet should be linked to production and the workers should be taught to save more and more.”

*Sardesai Brothers Limited, Bilimora:*

The management of this concern has stated that “the appointment of the Committee would afford an opportunity to the workers to get better conditions of service. At the same time, they should be made to understand their responsibilities.”

*Anil Starch Products, Ahmedabad:*

*Allowance and other related matters.*—We are of the opinion that fixation of norms in respect of the following industrial matters should be made and remaining be avoided as they are unnecessary. Acting allowance, Attendance Allowance, Conveyance Allowance, Heavy Work Allowance, Injury Allowance, Out-door Allowance, Travelling Allowance, Uniform Allowance.”

*Holidays and other related matters.*—“Since our factory is continuously working for 3 shifts during the whole year, we do not recommend giving any holidays.”

*Hours of work and other related matters.*—“We have all 3 shifts of 8 hours each without any specified recess. Only in the General shift for the Engineering Department the working hours are from 8-00 a. m. to 4-30 p. m. with recess from 12-00 to 12-30 noon. We think these timings are proper. If during night time such jobs are required to be done, a second shift may be started from 4-30 p. m. to 1-00 a. m. with a recess time from 8-30 p. m. to 9-00 p. m.”

*Leave and other related matters.*—“Most of the benefits which are mentioned by way of leave are already granted to the employees. We, however, do not find it necessary to give any Study Leave or Vacation Leave.”

*Retirement benefit and other related matters.*—“Provident Fund and Gratuity benefits are already implemented by the Company. The Insurance Scheme will come into force shortly as decided by the Government.

We are of the opinion that Pension Schemes would become a burden particularly when there are other retirement benefits already in existence.”

*Bonus.*—“Payment of Bonus should be related with following broad principles :

- (1) Working results of any particular year showing a surplus after prior charges that are normally allowed by the Tribunals and Courts.
- (2) Quantum of bonus may be decided considering :—
  - (a) gap between existing wages and living wages.
  - (b) Capacity of the industry to pay.
  - (c) Proportion of distribution of surplus between employer, employees and shareholders.



(3) Token Bonus in case of inadequate profits.

(4) No bonus in case of losses."

*Condition of Employment and other related matters :*

1. "Apprentices who have been found efficient should be absorbed as a general rule in preference to the new recruits.

2. Age limit for retirement should be 58 years.

3. Attendance Cards should be maintained.

4. Broad classifications of workmen should be made according to skill and responsibility with different wage scales for them.

5. Contract System should continue where it is necessary as a job work.

6. Confirmation of workmen should be made periodically depending upon their efficiency.

7. All permanent workmen should be on the monthly rated basis.

8. Proper designations in relation to the duties should be given and changes which are likely to create dispute about nature of work should be avoided.

9. Breaks of services for more than 6 months in duration should not be condoned."

*Tata Chemicals, Mithapur:*

"We feel that allowances of the following types should not be encouraged: Cigarette allowance, Comptist allowance, Children Education allowance, Climate allowance, Duty allowance, Discomfort allowance, Food allowance, Grain allowance, Gas allowance, Heat allowance, Health allowance, Milk allowance, Refreshment allowance, Sukhadi allowance, Tea allowance, Tiffin allowance, Unclean Work allowance, and Washing allowance.

2. The level of remuneration should help to take care of such items.

3. All efforts must be directed to improve working conditions, discomforts, etc., which will help to eliminate the need for such allowances.

4. Wherever necessary and feasible, facilities in kind should be made available, rather than in cash.

5. Payment in cash as allowance may not serve its purpose. Inside the factory premises, employers could be expected to provide necessary amenities prescribed under various statutes. But outside the factories, society itself should take care of such needs at various levels of society. It can be done by encouraging the principle of self-help with help."

**OIL INDUSTRY**

Some Oil Mills at Jamnagar had suggested that statusquo should be maintained. The Khambhalia Oil Mill, Khambhalia, has pointed out that the rates of wages were fixed on the distinct understanding that it would include some allowances, like tea, refreshment etc.

*Vithal Oil Mills, Baroda :*

Shri Mangaldas Kunverji Bhatt, who appeared on behalf of the mill before the Committee, stated that the concern is a seasonal factory and it had in addition to face difficulty regarding coal supply etc. In the circumstances it would be difficult to implement any norm.

## LOCAL AUTHORITIES

*Vyara Municipality :*

The Vyara Municipality, Vyara, has stated that as far as municipalities are concerned all rules and regulations as are being applied to Government Servants should be made applicable.

*Rander Town Municipality, Rander :*

The Rander Town Municipality, Rander, has stated that in municipal bodies the service conditions are generally governed by B. C. S. Rules, and, therefore, no higher norms should be fixed, since it would involve additional burden.

*Lalpur Municipality, Lalpur :*

The Lalpur Municipality, Lalpur, had stated that it would be desirable to have norms as this would be useful and beneficial to the employees in various establishments.

*Dharmaj Municipality, Dharmaj ( Dist. Kaira ) :*

The Dharmaj Municipality, Dharmaj, has stated that such inquiry would be to the benefit of the employees and would help maintain good relations between the employees and local bodies.

*Mehmedabad Municipality, Mehmedabad :*

“ So far as municipal staff is concerned, the norms to be fixed should be in accordance with the Bombay Civil Services Rules. ”

*Palitana Municipality, Palitana :*

“ Conditions much vary with regard to local authorities and other actual industrial concerns. In this municipality there is no industrial undertaking. Major bulk of the employees are Sweepers doing manual work for fixed hours. Conditions of their services cannot be compared with those working in big and small industrial concerns. In such circumstances, the municipalities being Semi-Government institutions where the conditions of service etc. are mostly governed under the Bombay Civil Services Rules, it is much expedient that the municipality should be outside the scope of the Industrial Disputes Act. ”

The representatives of the municipalities of the Saurashtra area who appeared before the Committee stated that most of the municipalities in that area had followed the recommendations of the Vyas Review Committee.

## LEATHER AND TANNERIES INDUSTRY

*Pickers Limited, Ahmedabad :*

The management of Pickers Ltd., Ahmedabad, welcomed the formation of the Committee and hoped that the work of the Committee would promote better amity and good relations between employers and workers.

## SALT INDUSTRY

*Halar Salt and Chemical Works, Jamnagar :*

The management of the Halar Salt and Chemical Works, Jamnagar, has pointed out that Salt Industry is seasonal in nature. However, there would be no harm if norms are evolved, as they may help in resolving the disputes.

*The Jay Laxmi Salt Works (P) Ltd., Jamnagar :*

The management of the Jay Laxmi Salt Works, Jamnagar, had expressed its views that while fixing norms the nature of the various industries will have to be kept in view and a common norm should not be applied to all the industries. The management also pointed out that the Salt Industry is a seasonal industry and cannot be compared with other industries working throughout the year.

*The Digvijaysinhji Salt Works, Jamnagar :*

The management of Digvijaysinhji Salt Works, Jamnagar, had stated that the norms would be helpful to resolve industrial disputes, but such norms should be framed after taking into consideration the nature of the industry.

*Sardar Devier Wala Salt Works, Umbergaon :*

The Management of this Salt Works stated at the time of oral evidence that the condition of the industry at Umbergaon was different from that in the Saurashtra area and as such different norms should be fixed for the different areas.

*Bhavnagar Salt & Industrial Works, Bhavnagar :*

The representatives of the Salt Works stated at the time of oral evidence that norms should be different for Inland and Marine Salt Works as the conditions are different.

*Inland Salt Works :*

The Managements of some Inland Salt Works, stated at the time of giving oral evidence before the Committee that conditions in Inland Salt Works are different from those of Marine Salt Works and hence different norms should be fixed.

## GLASS INDUSTRY

*Alembic Glass Industries Limited, Baroda :*

“ Such norms should be fixed as would ensure justice and fair play to both parties viz. the employer as well as the employee. They would necessarily have to be different for different industries as the conditions that prevailed in various industries are widely divergent. They should in no case impose such a heavy burden on the employer as is likely to affect adversely the production or overall efficiency of the company as they would thereby defeat the very purpose which is sought to be achieved by the fixation of such norms.”

*Baroda Crystal Glass Works Ltd., Baroda :*

Shri R. B. Nagvekar who appeared before the Committee on behalf of the company, gave his written views on the question of the fixation of norms as follows :—

(1) "There should be different Norms laid down for different industries and again for different classes of Units in the same industry according to their paying capacities.

(2) The benefits or any amenities given to workers necessarily form a part of the cost of the production, as the wages paid to the workers do. The other way in our opinion, it is a part of remuneration paid to the workers in the form of benefits or amenities.

The fair way in our opinion, therefore, will be before we proceed to work out such norms to find out on normal basis the availability of the part of the sale value of the production of a normal economic unit for the wages and the contemplated benefits and amenities together to workers and link it in percentage to the production value and then determine and/or consider such benefits or amenities if the scope of such percentage can contain it.

In the case of a semi-automatic Glass Unit as ours, it can be in total about 30 per cent. of the production value.

This percentage will vary in different industries or their classes according to the portion occupied by their raw materials and other common and essential expenditure for the manufacture of goods.

(3) If norms are fixed without taking in consideration the above factors either the consumers price should be possible to be raised to meet such cost which means raising of the prices and burden on the consumers, which fact will have to be recognised and borne in mind.

(4) Norms for such benefits or amenities if suggested and enforced only on State basis will cause disparity in cost of production between a unit of an industry in this State and a similar unit in another State and it will affect the industry in this State on account of its higher cost on account of enforcement of such benefits in this State only. So, unless it is accepted and enforced on the country-wise basis it will not be proper to think of enforcing such Norms for adoption in this State only if evolved.

(5) It will never be correct to consider for norms for adopting for benefits and amenities by ignoring the burden it puts on the economy of the industry. Hence our suggestion to find out and determine the portion of production value that can be available for paying to workers as wages, benefits and amenities or whatever other form and to consider such benefits and amenities if only such portion can contain it.

(6) Though one feels such sympathy for the idea that more and more benefits by way of more holidays, leave or other amenities may be available to the workers and that should be our aim. However, in our opinion, time has still not come for such consideration in general. It can be only done when country reaches self-sufficiency in production and people can have circumstances to allow them to rest."

## PHARMACEUTICALS INDUSTRY

*Alembic Chemical Works Co. Ltd., Baroda :*

“ While wel-coming the idea of fixing norms for the various industrial matters which generally form the subject matter of industrial disputes between employers and employees, we would like to state that the matter should be approached in a manner which would ensure a fair deal to both the employers and employees.

The norms should be fixed keeping in view the size and nature of the industry, its financial capacity and the region in which it is located.

As we understand, the purpose of fixing norms is to serve as a guide not only to the conciliation officers and Industrial Tribunals but also to the employers and employees.

Great care will, therefore, have to be taken while fixing norms in order that they may not prove handy tools to the unions in making demands which may be beyond the capacity of the industry concerned. If such a possibility is not guarded against, these norms might well prove to be the potential causes of industrial unrest, the removal of which is the main objective.”

*Allowances and other Related Matters.*— “ There is wide variety of allowances claimed by the workmen in the industries. We feel that reasonable allowances should be given for certain purposes where it is absolutely necessary. Generally, the circumstances necessitating the payment of allowances are taken into consideration while fixing wages of the workmen. Even where payment of allowance is inevitable, it should be kept in view that they are proportionate to the extra risk, work or discomfort to which the workmen are likely to be subjected and not unduly heavy.”

*Holidays and other related matters.* — “ While it is true that the workers being part of society, should have adequate opportunity to participate in the various religious and national festivals observed in the society it is a patent fact that in India we have a large number of holidays. In the present stage of our national development, when the Government has embarked upon Five-Year Plans to achieve the goal of economic prosperity and independence and ultimately raising the standard of living of our people, it is imperative for us to utilise to the maximum extent the resources available in the country and obtained by the Government from foreign countries. In such circumstances it would be the duty of every citizen to strive hard to increase production. It would amount almost to a crime to allow our resources to remain idle by having too many unproductive days.

We, therefore, suggest that the number of festival and national holidays should be reduced to a minimum and fixed in a manner which would assist in increasing production and at the same time respect the sentiments and requirements of workers.

We feel that the number of national holidays has increased from one to two or three. There should be only one national holiday.

As regards other festival holidays they should be fixed region-wise giving due respect to the requirements of communities.

So far as paid holidays are concerned, we should like to say that usually wages of workmen are fixed for a month of 26 working days and, therefore,

the paid holidays should be fixed in such a manner that workers might get wages for 312 days in a year only."

*Leave and other related matters.* — "There are different types of leave and they very frequently form the subject matter of industrial disputes because of the absence of uniformity in the awards etc.

As regards privilege, sick and casual leave, we have to state at the outset that there should be uniformity in the leave provisions available to workers and the members of staff. Generally and more particularly in a Pharmaceutical industry like ours, workmen and members of staff are very closely associated with the production and it is on the joint and collaborated working of the workers and supervisory and other members of staff that the production of the company depends.

Therefore, it is neither advisable nor proper to grant more leave to the members of staff than the workers as that will upset the whole production programme of the company. Workers without their supervisors will not be able to give efficient production and, therefore, if there is any disparity in the leave provisions of the two, the industry will be compelled either to keep the workers comparatively idle or to increase the members of the staff proportionately which will increase the cost of production.

Moreover, the trend of recent labour legislation also appears to be inclined towards the view that there should be no distinction between the conditions of service governing workers and staff-members. The provisions of Employees' Provident Funds Act, 1952, the Industrial Disputes Act, 1947, the Industrial Employment (Standing Orders) Act, 1946 and the Payment of Wages Act, 1936, have all been recently so framed as to be applicable to all irrespective of whether they are workmen or staff-members.

We are of the view that Privilege leave as allowed under the Factories Act, is quite adequate for both the workmen and the staff.

There should be 14 days sick leave on half pay and 7 days casual leave with full pay in a year, but sick leave should cease to be available when the benefits under the Employees' State Insurance Act begin to be given. We would like to make it clear that 7 days sick and casual leave is the maximum limit. The actual quantum would depend on the financial capacity of the industry.

So far as unpaid leave is concerned, we are of the opinion that such leave cannot be claimed as a matter of right. It should be at the discretion of the management and should be limited to reasons of illness or other unavoidable circumstances."

*Retirement Benefit and other related matters :* "We think that following the coming into force of the Employees' Provident Fund Act, 1952, the retirement benefit of Provident Fund has become available to the employees of even small factories employing 50 or more workers. In these circumstances gratuity should be awarded only in concerns having a comparatively long standing and dependable financial capacity."

*Bonus (of all sorts) :* "Now as the whole question of bonus is before the Bonus Commission and is likely to be decided on certain basic principles, we do not offer our remarks on this question at this stage."

*Social and personal amenities.*—“ There cannot be two opinions that wherever possible these social and personal amenities should be made available to the workers. Of course the providing of these amenities would depend upon the financial capacity of every unit.”

*The Sanitex Chemical Industries, Baroda :*

“ Fixation of norms will be beneficial to employees as well as employers.”

*Sarabhai Chemicals Limited, Baroda :*

“ Shri Thakar who appeared before the Committee, gave oral evidence. He stated that norms should be fixed region wise and it should be uniform in comparable concerns. Norms fixed should be minimum. He also opined that fixation of norms would help to achieve a collective agreement.”

*Atul Products Ltd., Atul ( Dist. Surat ) :*

“ We think that the norms of industrial matters will differ from industry to industry and also broadly according to the areas. Therefore, while an effort may be made to standardise them, it should also be kept in mind that there will have to be broad classifications in which certain norms will apply and in which certain norms will not apply. Also, the evolution of certain practices followed by different employers is a historical process and in many cases, what appear as separate allowances are included as part of the regular service conditions or salary condition in case of those employers, who have come later on into the field. These factors should also be kept in mind.

We also think that the definition or description of norms and their application should be sufficiently precise and self-explanatory, so that they do not lead to a difference of interpretation and thus to industrial disputes.”

*Lederle Laboratories (India) Ltd., Atul :*

“ In our opinion, the norms of industrial matters will vary from industry to industry and region to region and this fact should be kept in mind while standardising them. An effort should also be made to define various norms more precisely so that there are less chances of difference in interpretation.”

#### PRINTING PRESS INDUSTRY

*Gujarat University Press, Ahmedabad :*

“ Norms may be fixed by taking into consideration the financial position, equipment of the industry, the production i. e. daily output and the number of workers.”

#### BIDI INDUSTRY

*The Ahmedabad Bidi Manufacturers' Association, Ahmedabad :*

The Secretary of the association had stated that most of the workers in this industry at Ahmedabad came from outside the State and they did not work regularly and continuously. They are not, therefore, eligible to get the benefits of sick leave, casual leave, bonus, gratuity, etc.

However, in order that they should be kept contented, the employers are given 80 to 90 nPs. for 1000 bidis more than minimum rate of wages and this

amount should be deemed to include all the other benefits. The Association has also pointed out that the employers have entered into agreement with workers over the question of wages.

*Shri Jekisondas Pitambardas Bidi Factory, Surat :*

The representative of the factory has stated that Bidi industry is a home industry and many Acts which are applicable to mills and factories have been made applicable to it with the result that its progress is stifled.

*The Surat Tobacco Stores Bidi Factory, Surat :*

“ The Surat Tobacco Stores Bidi Factory, Surat has stated that the application of different labour laws to this industry has greatly affected small employers with the result that the industry is being concentrated in the hands of a few well established employers.”

*Gujarat Bidi Factory Owners' Association, Borsad and North Gujarat Tobacco Merchants' Association, Patan :*

The representatives have stated at the time of appearance before the Committee that the wages of bidi workers are fixed on piece rate basis. The workers employed come and go according to their sweet will. There is no control over their working hours. In recent years bidis have been coming into this State from other States and there is heavy competition. The rates of wages prevalent in some of the outside States are less and this has adversely affected the industry in Gujarat State. Application of different laws to this small industry has hampered its progress. The Association further stated that no norms should be fixed for the bidi industry which would increase the burden on the industry.

#### WOOD AND FURNITURE INDUSTRY

*Durga Wood Works, Limbdi :*

The management has stated that fixation of norms will create more friction between employers and employees. However, if norms are to be fixed they should be fixed industry-wise looking to the economic condition of the concern.

#### POTTERIES INDUSTRY

*Khodiar Pottery Works Ltd., Sihor:—*

The management has given views on various industrial matters. Some of the suggestions are given below :—

*“ Acting Allowance.—* The management has stated that the workers may be given the minimum basic wages of the higher post.

*Conveyance Allowance.—* C. A. may be allowed where the job requires an employee to move about to distant places and no vehicle is provided.

*Festival Holidays.—* Only 2 or 3 festival holidays should be granted.

*National Holidays.—* 15th August and 26th January may be considered as National Holidays for the present and they may only be allowed as paid holidays.



*Unpaid Holidays.*— This may be restricted to 15 days in a year.

*Absorption of apprentices.*— Matter should be left to the judgment of the employers.

*Age Limit for Retirement.*— It should be 55 for manual workers and 60 for Clerical and Supervisory staff.

*Contract Labour.*— If contract labour gets all benefits and privileges enjoyed by departmental labour, there is no reason why practice should not be continued. Generally this system is found to be more efficient and responsible.

*Probationary Period.*— Probationary period should not be less than 12 months.

*Parshuram Potteries, Morvi, Wenkaner, Thangadh and Dhrangadhra :*

Managements of these potteries which appeared before the Committee orally stated that the norms should be uniform in the industry in the whole State. At the same time there should be norms for work load also.

*Digvijay Tiles and Potteries, Jamnagar :*

The management of the Digvijay Tiles and Potteries, Jamnagar orally stated that paying capacity of the concern should be taken into account while fixing the norms.

*Kathiawar Industries, Chorwad :*

The representative of this concern has orally stated that the norms should be fixed on industry-cum-region-wise basis.

#### CEMENT INDUSTRY

*Associated Cement Companies Ltd., Porbandar :*

“ There should be uniformity regarding norms in industrial matters. Fixation of norms should be there. Once the norms are fixed and provided by the employer they should not be abused or mishandled by employees.”

*Associated Cement Companies, Dwarka :*

The management of the A. C. Companies, Dwarka, stated : “ We consider it desirable to have the norms fixed in respect of industrial matters on industry-cum-region-wise basis. However, care should be taken to see that uniformity is maintained as far as possible for fixation of norms in industrial matters for all India organisations like the A. C. C. Ltd.”

*Indian Hume Pipe Co., Rajkot :*

The representative of the management who appeared before the Committee orally stated that in fixing norms nature of the industry should be taken into consideration.

*Digvijay Cement Co., Sikka :*

The representative of the management orally stated that the norms should be uniform in the same region.

## VIEWS OF THE EMPLOYEES' TRADE UNIONS &amp; ORGANISATIONS

*Gujarat I. N. T. U. C.*

Represented by Sarvashri Chinanlal Shah, Noormohmed Shaikh, Arvind Buch, Manharbhai Shukla, Shantilal Shah, Sumanbhai Desai and Bachubhai Shukla.

The I. N. T. U. C. welcomed the formation of the Committee. In a written memorandum it suggested the following Norms :—

*Leave with wages*.—Workers in local authorities and hospitals should be paid as per the Civil Service Rules, while the employees in the other concerns should be paid as per the Factories Act or the Bombay Shops and Establishments Act. The accumulation of leave should be allowed for a period of 3 years.

*Sick leave*.—Sick leave should be granted to the workers as follows :—

In concerns employing less than 20 workers — 5 days, and in those employing 20 and more than 20 workers — 8 days. This leave should be allowed to accumulate for 3 years.

*Casual leave*.—Casual leave should be given as follows :—

Concerns employing less than 20 workers — 6 days and concerns employing 20 and more workers — 8 days.

*Paid Holidays*.—Concerns employing less than 20 workers—4 festival holidays and 2 national holidays. Concerns employing 20 and more than 20 workers — 7 festival holidays and two national holidays.

*Maternity Leave*.—Maternity benefit should be given as per the Maternity Benefit Act.

*Bonus*.—As regards bonus, the I. N. T. U. C. suggested that till the Report of the Bonus Commission is brought into operation, the five year Bonus Paet entered into by the Textile Labour Association and the Mill Owner's Association should be the basis for all bonus payments.

*Provident Fund and Gratuity*.—The benefits of Provident Fund should be given to the workers in all the industries under the purview of Norms Committee. Gratuity should be given on the lines suggested by the Norms Committee of the Maharashtra Government.

Provident Fund should be on the lines of the Provident Fund Act. In respect of shops and establishments, it should be extended to all concerns employing 5 or more Gumastas.

*Allowances*.—The I.N.T.U.C. has suggested that in Chemical Industry where the working conditions are injurious to health, the workers should be given milk and fruits or some allowance say about Rs. 10 p. m. to enable the workers to maintain their health.

*Washing allowance*.—It should be given to those who are given uniforms.

*Cycle Allowance*.—It should be paid to peons and other employees who have to do out-door duties.

*Extra show allowance.*—It should be given to Cinema employees whenever extra shows are run.

*Cash Duty Allowance.*—It should be given to those who deal with the cash.

*Out door Duty Allowance.*—It should be given to those who attend to the district work and they should be given double wages for the days they work outside.

*Over time Allowance.*—It should be given according to the Factories Act.

*Unclean or Night Soil Allowance.*—It should be given to those who are engaged in removal of night soil.

The I. N. T. U. C. strongly advocated the abolition of the Contract System. However, in cases where it was necessary to continue this system in any part of the industry the workers employed under contractors should be given the same benefits as other employees in the industries.

During the oral evidence the representatives of the I. N. T. U. C. had also given their views on certain other industrial matters. In addition to the Privilege leave, Sick leave, Casual Leave etc., normally granted to the workers the leave without pay to the extent of one month should be given to the workers so as to enable those workers who have come from far away places to have sufficient recreation with their family.

*Study Leave.*—Study leave should also be given in deserving cases as this improves the knowledge of the persons in the industry. This leave may be given upto 2 years.

*Medical Aid.*—Should be provided till the Employees State Insurance Scheme is brought into force. In the Chemical Industry, there should be periodical medical examination of the workers. In seasonal factories like Salt and Cotton Ginning and Pressing, some sort of retention allowance should be given to the workers during off season. Workers who are asked to officiate in a higher post should be given the pay of the higher post.

*Children Education Allowance.*—Should be given, particularly in the Salt Industry, where there are no facilities of School. The age limit for retirement should be 65 as the span of life has increased. However, in concerns where there are no Schemes of retirement benefit, there should be no age limit for retirement. As regards confirmation of workers, normally the worker should be confirmed after 2 months. Promotion should be according to seniority and should not be left to the discretion of the employers.

#### TRADE UNIONS

The President of the Kheda Jilla Audyogic Kamdar Mandal, Nadiad, welcomed the formation of the Committee and stated that the employers should be compelled to abide by the norms. He further pointed out that as regards festival holidays, a settlement had been made between the Union and management of the C. M. Smith & Sons, Nadiad, before the Conciliation Officer, Ahmedabad, on 5th July 1962. As per the terms of the Settlement, the workers were to get 7 paid festival holidays. There was also a suggestion that the management should be made to maintain seniority list, to provide attendance cards, etc. During the oral evidence before the Committee, Shri Zaveri, the president of the Mandal stated that in industries where there

were strong Unions, the workers got certain benefits; but in others where workers were unorganised, similar benefits were not available to them. It was, therefore, necessary to fix norms. While fixing the norms, it was not necessary to consider the financial position of the concern as workers should get some minimum benefit.

The following unions, namely, Kheda Jilla Factory Kamdar Union, the Chemical Kamdar Union, Hotel Kamdar Union, Vadodara Kamdar Union and the Cement Kamdar Union at Baroda, affiliated to the AITUC have given their common views in respect of some of the industrial matters and those are outlined hereunder:—

*Acting Allowance.*—If a person officiates in the higher post he should be given proportionate amount for the number of days worked and the calculations should be based on the following basis :—

The difference between the officiating person's grade and the lowest of the grade of the higher post on which the person is required to officiate.

*Children education allowance.*—Tuition fees of School and College going Children of employees should be paid by the employer.

*House rent allowance.*—Where the employers do not provide free quarters, 20 per cent of the basic wages should be paid towards this allowance.

*Night Shift Allowance.*—25 per cent of basic wages should be paid more to those who are required to work in Night Shifts.

*Tea Allowance.*—All Employees should be served with Tea, twice a day, or uniform Tea allowance, in cash, should be given.

*Bank Holidays.*—These should be given over and above weekly holiday.

*International Holiday.*—First May should be given as international holiday.

*Grace Time.*—15 Minutes should be given.

*Hours of work on Saturdays.*—On two Saturdays in a Month there should be full working (as on other days); on 2 Saturdays there should be complete holidays.

*Leave with wages.*—In one Calender Year 15 days' Casual, 15 days' privilege and 15 days' Sick leave should be given to all workers of all concerns over and above leave with wages which is being given according to law.

*Gratuity.*—After 10 years' service if an employee resigns or retires he should get 1 month's wages for every completed year.

*Bonus.*—Minimum one month's salary with D. A. should be given by all the concerns even when concerns are running in loss. In case of concerns making profit it should be more in proportion.

*Age limit for retirement.*—When a worker is physically fit he should be allowed to work even after reaching the retirement age.

*Contract System of Work.*—This should be abolished.

*Confirmation of workmen.*— After 3 months' service every worker should be confirmed.

*Disciplinary Action.*— This should not be taken against any worker unless he is given a fair chance to explain himself with the help of Union officers.

*Promotions.*— Higher post should be filled in by giving promotions to senior persons of the lower grade. No direct recruitment should be made for higher post.

*Recruitment.*— First preference should be given to the relatives of the employee.

*Service record.*— When a worker resigns he should be given a certificate of his past service records.

*Service Rules, Standing Orders and Seniority list.*— It should be made obligatory on the part of the employers to give copies of service rules, standing orders and the seniority list to the registered Trade Union in the respective concern.

*Transfers.*— No active worker of the union should be transferred under any ground. All other transfers for the convenience of administration if at all made should be at least for a duration of 5 years.

*Welfare Activities.*— Recreation clubs should be maintained at work places by employers and some should remain open during recess hours also.

*Work According to Designation.*— If an employer takes work of different designations from any employee the employee should be paid an allowance, equivalent to overtime allowance. In default of this the employer should be given punishment of imprisonment.

*Miscellaneous.*— "Conciliation machinery in Factory, Shops and Establishments should be formed by appointing a joint committee, consisting of equal number of representatives of Employers and employees to dispose of day-to-day disputes. If no settlement is arrived at, the dispute should be referred to an independent arbitrator who is acceptable to both the parties."

*Company's products at concession rate.*— The products should be available to employees according to their normal requirements, at 50 per cent reduced rates.

There should not be any curtailment of any existing facility enjoyed by the workers.

Unions should be allowed to hold meetings at the work places after the working hours.

No change should be introduced without consultation with the Union.

*Recognition to Union.*— Where there is only one Registered Union it should be obligatory on the part of the employers to recognise same. Where there are more than one unions, recognition should be given to the union getting the highest number of votes in a secret ballot held for the purpose.

*Supply of copies of Notices to the Unions.*— Every registered Union should be supplied with copies of all notices issued.

*Victimization.*— No worker should be punished for his trade union activities and in case it is done a separate labour court, under Industrial Disputes Act, should be established for going into such case. ( Industrial Disputes Act should be suitably amended for this purpose ). When the worker approaches the labour court he should be paid full wages till a decision is given by the Court.

The President of the Surat Jilla Press Kamdar Union, Surat, had suggested that adequate provision for casual leave and sick leave should be made for this industry ; the amount of earned leave as also the number of days of accumulation should be increased. Provision should also be made for 15 days' holidays in a year with wages.

The General Secretary of the Maha Gujarat Trade Union Congress had given his views on certain items. As regards recognition of Unions he had suggested that the question should be decided by a secret ballot. He had also suggested that in the matter of disciplinary action against workers, the employer should be compulsorily made to take permission of the Labour Court in cases involving dismissal or discharge. In other cases involving lighter punishment the employer should be made to approach the conciliation officer. This procedure according to him prevents victimization. As regards gratuity, he was of the opinion that gratuity should be counted not only on the basic wages but on the total monthly emoluments.

#### VIEW OF THE REPRESENTATIVES OF WORKMEN FROM THEIR ORAL EVIDENCE

Shri Dahyabhai Patel from Majoor Mahajan Mandal, Baroda, who appeared before the Norms Committee, gave details regarding present practice in respect of various industrial matters prevailing in Engineering, Glass, Chemicals and Oil Mills Industries, etc. in Baroda. He pointed out that in the Jyoti Ltd., Baroda and the Sayaji Iron and Engineering Works, Baroda, workers were given Attendance Bonus; that cash-cum-risk allowance was given to workers in some concerns. The number of days of casual leave varied between 7 to 10, sick leave from 5 to 7 and Festival Holidays from 3 to 5. The age for retirement was 60 in Alembie Chemicals and 58 in Jyoti Ltd., He also stated that unpaid leave was given to workers in some concerns according to requirements. He also opined that in the Engineering industry where a worker has to work with machine and oil and where clothes are likely to be spoiled, uniforms should be supplied. As regards seniority and promotion he stated that efficiency should be taken into account only in categories which require special skill. He also advocated the abolition of contract system in all industries.

Shri Paradkar from the Hind Mazdoor Sabha stated that Norms should not be a hindrance in raising further demands but that it should be a sort of guidance to the parties.

Shri Bhalechandra Trivedi from AITUC did not give any special views but he stated that he agreed with the views of Shri Dahyabhai Patel.

Shri Rasiklal Mehta who appeared before the Committee both at Rajkot and Jamnagar on behalf of the INTUC, Rajkot Branch, was of the view that in all industries norms should be uniform. For instance if uniform holidays

were given, all workers could enjoy holidays together. If they are required to work on holidays they should be paid more wages ; further minimum 8 paid holidays should be given in a year. Shri Mehta further stated that 10 to 15 days casual and 15 days' sick leave ( with provision of three years leave accumulation ) should be provided. As regards retirement benefits, he stated that both provident fund and gratuity should be given. He pointed out that pension scheme is applicable to old employees of Municipalities. According to him the contribution to the Provident Fund should be as per the Employees' Provident Fund Act and gratuity should be 15 days' full wages for each year of service, with no ceiling on number of years. He stated that on completion of 3 months continuous service on a permanent post the worker should be considered as permanent. He further opined that norms should be fixed industry-cum-region-wise ; that minimum may be fixed and it should be left to the individual employers to enforce them according to their paying capacity. As regards superannuation age, Shri Mehta was of the opinion that in cases where there were provisions regarding provident fund and gratuity the age limit may be 60 years. As regards contract system he stated that wherever possible the system should be abolished. Work which is connected with manufacturing process and which is routine in nature should be entrusted to regular workers and contract labour should not be employed in such work except in loading and unloading work and for work which is of a seasonal nature. Further, where contract labour is employed they should be treated on par with other workers. The power of termination of the services of workmen engaged by contractor should be with the management. On the question of housing accommodation Shri Mehta stated that employers should take advantage of the subsidised Industrial Housing Scheme of Government and provide quarters to the workers.

Sarvashri Bachubhai and G. N. Trivedi who appeared before the Committee on behalf of Chemical Kamdar Sangh, Mithapur, gave details of present practice in respect of various industrial matters prevailing in the Tata Chemicals, Mithapur. They opined that the acting allowance to a worker who officiates on a higher post should be the difference between his pay and the pay of higher post. As regards contract system, they stated that there are about 1,000 workers employed by contractors in the concern. They stated that contract system should be abolished. However, where it is absolutely necessary it may be retained but in such cases the benefits available to regular workers should be given to contract workers also.

Shri Dinkarbhai Oza, from Majoor Mahajan Sangh, Jamnagar, while giving oral evidence before the Committee pointed out that many of the municipalities in Saurashtra were enforcing the recommendations of the Vyas Review Committee in respect of Harijan Kamdars. In Jamnagar Municipality there was a scheme of gratuity-cum-pension. In some of the Municipalities only gratuity was given ; while in a few others both gratuity and Provident Fund were in force. As regards leave, he opined that there should be equal standards of leave in all the municipalities.

The representatives of the Unions in Jamnagar affiliated to A. I. T. U. C. Sarvashri K. P. Thakore, Bhikhubhai Waghela and S. K. Shah, who appeared before the Committee expressed their views as under :—

Shri Waghela representing the Cinema Industry stated : “ No allowances are given to workers. Workers are getting only weekly off but they are not getting sick leave, casual leave or privilege leave. They should get leave as per Shops and Establishments Act. There is no scheme of gratuity in this industry. Working hours are not fixed. The workers are working for extra shows but no allowance is given.”

Shri S. K. Shah, representing local authorities stated that the workers are not getting the full benefits under the Minimum Wages Act. He also stated that the difference of the pay of the higher post and lower post should be paid as Acting Allowance. He further stated that 10 days' casual leave and 15 days' sick leave with wages should be given. The number of paid holidays should be 7 to 8.

Shri K. P. Thakore expressing his views in respect of Oil Mills stated :  
 “ There should be equal standards of leave in all the Oil Mills to all workers and the benefits available under the Shops Act should be made available to the factory workers also. He stated that uniforms should be given to all the workers in all Oil Mills ”.

Shri Ishwarlal Desai from the Majoor Mahajan Sangh, Surat, while giving evidence before the Committee stated that the Sangh represented the following industries :— Engineering, Chemicals, Papers, Printing Presses, Local Authorities, Hospitals, Cinema and Cement Products. He further pointed out that there were 40,000 workers in the above industries out of which 10,000 were working in big factories. He stated that the real difficulty was proper enforcement of the provisions of various labour laws. He pointed out that Norms should also be enforced as otherwise they would only remain on paper. Some machinery may be used for enforcement of the norms fixed by the Committee. As regards norms on various industrial matters his views were as under :—

*Casual leave.*— Provision should be of 10 days instead of 7 days as at present.

*Sick leave.*— Provision should be made for 10 days sick leave instead of 7 days as at present.

*Holidays.*— There is a provision of 3 to 5 days. There should be a uniform standard of five paid holidays.

*Standing Orders.*— Standing orders should be applicable to factories irrespective of number of workers employed therein.

*Hours of Work.*— Whatever hours of work are fixed should be enforced properly.

*Injury Compensation.*— It should be given from the very beginning of the accident. At present it is not given for the first three days. This is not proper. The leave and compensation should be given from the first day of accident.

*Confirmation.*— If a worker is employed on work which is of a permanent nature, he should be confirmed after 3 months continuous service. Even in Model Standing Orders the limit of 90 days aggregate service is there.

*Retirement Benefits.*— Two benefits viz. gratuity and provident fund are necessary. But it should depend on paying capacity of the concern. Where the paying capacity is decidedly poor at least one benefit should be there, either provident fund or gratuity.

*Security of Service.*— If any worker is removed from service he should be protected and security of his service should be preserved.



*Welfare Centres.*—Such centres should be run by the Co-operation of the employers and workers. The employer should pay 50 per cent. of the expenditure. The urge for such activities should be created among the workers. The joint trusts of employers and workers should be formed and welfare activities should be done by such trusts. He further opined that norms should be fixed industry-wise. It should be minimum and uniform. Number of workers in factories should be ignored and it should be enforced uniformly in all the factories.

Sarvashri Chhagandal Patel and Chhotubhai Rathod, who appeared before the Committee as representatives of trade unions in Surat, affiliated to A. I. T. U. C. pointed out that most of the factories in Surat are partitioned and the workers are not getting benefits of the labour laws. This partitioning is a great problem in Surat. The service conditions of hotel workers are not satisfactory. They are not getting any leave and uniforms. Twelve hours work is taken from boys of 12 years of age.

Shri Bipinbhai Yagnik from Majoor Mahajan, Bhavnagar, who appeared before the Committee stated that he represented Engineering, Chemicals, Transport, Salt, Vegetable Products, Oil Mills and Rubber Industries. He stated there is no standard for leave. 2 to 4 days are given. 17 to 18 Festival Holidays are observed in a year, out of which only 5 holidays are given with wages, others being substituted. Minimum 7 paid holidays should be given (including 26th January and 15th August). Casual leave and sick leave should be 10 days each. As regards contract labour, he opined that it has assumed serious proportions in the Salt Industry. Contract is given to a Mukadam, who employs the workers. This system should be stopped or the principal employer should be considered as employer and not the contractor, as was the position in the old Saurashtra State. If in a case contract system is to continue owing to the nature of work, then the workers employed by contractors should get same facilities as are given to the regular workers. At present contract labour are not getting benefits of leave, working hours etc. The Norms Committee should recommend the abolition of Contract System. Shri Bipinbhai was further of the opinion that Norms should be the same for the seasonal and other factories. Norms should be fixed industry-wise and it should be same throughout the State. Further, if Norms are fixed there should also be provision for implementation.

Shri Sursinh Mansinh Solanki, who appeared before the Committee on behalf of the I. N. T. U. C. Branch, Porbandar, stated that they are representing the Godi Kamdars, Cement Kamdars, Monthly Paid Staff Union of Associated Cement Companies and Chemical Industry. He opined that Norms should be fixed common for all the industries in the State. As regards fixation of Norms he made the following suggestions :—

*Casual leave.*— 10 days in a year.

*Sick leave.*— 1 month.

*Paid Holidays.*— Festival 6 days and national holidays 2 days in a year. Monthly Paid Staff are getting one month's sick leave and 10 days Casual leave. Workers should also get the same amount of leave.

*Gratuity.*— It should be on the lines of textile and other industries. Gratuity should be given in addition to the Provident Fund.

*Contract Labour.*— It should be abolished because contract workers are not covered under the Industrial Disputes Act and they are not getting benefits which other workers are getting.

*Bonus.*— There is an agreement in this respect with Associated Cement Companies. Now as the Bonus Commission has been appointed its recommendations will be welcomed.

*Uniforms.*— Two pairs of uniforms in a year should be given to all the workers working in Cement and Chemical Industries because the clothes are spoiled specially in these two industries.

*Residential Accommodation.*— Quarters should be constructed by the employers and should be given to all the workers. Saurashtra Chemical Works is far away from the city and it is necessary that all the workers are provided with quarters.



## CHAPTER III

### LEAVE AND HOLIDAYS

The International Labour Organisation adopted in the year 1936 a convention called the Holidays with Pay convention for prescribing an international standard for granting holiday with pay to persons employed in industrial and commercial establishments. The main provisions of the convention are: (1) every person covered by the convention shall be entitled to an annual holiday with pay of at least 6 working days after a year's continuous service; (2) persons including apprentices, under 16 years of age shall be entitled to an annual holiday with pay of at least 12 working days after a year's continuous service; (3) the duration of the annual holidays shall increase with the length of service under conditions to be prescribed by national laws or regulations; (4) every person taking a holiday shall receive in respect of the full period of the holiday either (a) his usual remuneration, calculated in a manner which shall be prescribed by national laws or regulations, including the cash value equivalent of his remuneration in kind, if any, or (b) the remuneration determined by collective agreement; and (5) a person dismissed for a reason imputable to the employer before he has taken a holiday due to him shall be paid remuneration in respect of every day of holiday due to him. In order to ensure the effective enforcement of the provisions of the convention provision has been made for the maintenance of leave records by the employers. It is also provided that a more favourable leave privilege enjoyed by employees by virtue of any law, award, agreement or custom shall not be prejudiced by the convention. The Holidays with Pay recommendations which were adopted in the same year contain recommendations regarding the manner of calculating the continuity of service, the remuneration of the employees during holidays etc. Although, the system of giving holidays with pay to employees existed in a large number of countries even prior to the year 1936, the adoption of the convention by the International Labour Organisation gave a fresh impetus to the movement. In almost all important countries provision at present exists in the form of laws, collective agreements, awards, etc. which entitle workers to annual leave with pay.

Leave, which has also been referred to as 'Holidays with pay' in the past, is intended for a number of purposes *viz.* (1) rest, recreation and development of faculties, (2) recuperation of health, (3) fulfilment of certain social obligations (4) sickness and convalescence, (5) emergent and unforeseen circumstances, (6) maternity and (7) other purposes.

Most industrial countries of the world have developed systems of granting leave whether by legislation, by collective agreements, by arbitration awards by individual contracts or by custom. The idea of granting leave with pay has slowly gained ground in this country also and to-day the position is that a majority of the workmen are entitled to at least a fortnight's leave with pay.

The necessity of holidays for factory workers in India was recognised by the Royal Commission on Labour in India\* to which considered that the employers should recognise the need and value of holidays and should actually encourage workers to apply for definite periods of leave, with a promise that on return they would be able to resume their old work, and that even

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\* Report of Royal Commission on Labour in India, Page 26.

leave without pay or allowance might be a great advance in the then existing system. The Commission had further observed :—

“ The value of holidays in maintaining and increasing efficiency is undoubted; and few workers need these holidays so much as those employed in Indian Factories. The recognition of the claim of the worker to some allowance for a specified period while on recognised leave would have a distinct influence in converting the labour force of a factory from a constantly changing and unsettled mass to a regular and contented group of workers. The effects on discipline and efficiency would be marked, and sickness and absenteeism would be greatly reduced.”\*

The Bombay Textile Labour Enquiry Committee had fully endorsed this view\*\*. This Committee considered that the facility of obtaining long leave at periodic intervals was an indispensable condition of the stability and contentment of the labour force, for it afforded a break in a long period of physical and mental strain and provided necessary opportunities for rest, change and recuperation apart from enabling a large number of workers to go to their native places or to give special attention to the needs of their domestic or social life †. The same Committee while dealing with the question of absenteeism had observed that there was a definite relation between absenteeism and the absence of systematic provisions for holidays and leave @. According to it, facilities for obtaining leave for rest and recuperation constituted one of the most effective means of reducing absenteeism ‡

The Labour Investigation Committee appointed by the Government of India in 1944, had also emphasised the value of holidays in maintaining and increasing industrial efficiency as well as in improving the employer-employee relationship. They had attributed, in a large measure the higher rate of absenteeism and the large percentage of labour turnover to the absence of an adequate provision for holidays and leave ‖.

The Bihar Labour Enquiry Committee also emphasised the need for leave when it remarked : “Tropical Climate, poor diet and physique of the workers and insanitary and unattractive conditions in which they live, combine to make holidays with pay even more necessary in India than in the West. As the vast majority of workers are drawn from the villages, with which they maintain closest connections and would, therefore, probably spend the holidays there, there will not only be benefit to their health, but also feeling of happiness from an annual sojourn, however brief.” †

The Factories Act, 1934, was amended in 1945 to provide for annual leave (with pay) of 10 days for an adult worker and 14 days for children employed in perennial factories, subject to the completion of 12 months' continuous service. Accumulation was allowed for a period of 2 years.

The provisions regarding holidays with pay were radically changed and substantially recast in the Factories Act, 1948. A worker with 12 months continuous service was entitled during the subsequent period of 12 months annual leave with wages calculated at the rate of 1 day for every 20 days of work, during the previous 12 months subject to a minimum of 10 days for an adult and one day for every 15 days, subject to a minimum of 14 days for a child, these days being inclusive of any holiday which may occur during such period. A worker whose services were terminated after completing 4 months but less than 12 months' continuous service, was entitled to proportionate

\* Report of Royal Commission on labour in India page 27

\*\* Report of Textile Labour Enquiry Committee Volume II Final report, page 335.

† Textile labour Enquiry Committee Report page 358.

@ Textile labour Enquiry Committee Report page 363.

‡ Textile labour Enquiry Committee Report, page 365.

‖ L. I. C. report page 118.

† L. I. C. Main Report page 118.

leave. The Factories (Amendment) Act, 1954, made certain changes in these provisions. A period of 240 days is fixed as the minimum attendance necessary during a Calendar Year beginning with the 1st of January each year. Leave with wages will be calculated at the rate of one day for every 20 days of work in the case of an adult worker and one day for every 15 days of work by a child. The period of lay-off or of maternity leave or leave earned in the year prior to that date in which it is enjoyed shall be included in computing the period of 240 days or more but leave cannot be earned for these periods. The leave admissible is exclusive of all holidays which may occur during or at either end of the period of leave. Proportionate leave will be granted to a worker whose services commence after the beginning of the Calendar Year provided he has worked for  $\frac{2}{3}$ rd of the total number of days in the remainder of the Calendar Year. Provision is also made for proportionate leave with wages for a worker who is discharged or dismissed before completing 240 days qualifying period of work in a factory. Leave can be accumulated upto an extent of 30 days for an adult and 40 days for a child.

While the Factories Act, 1948, is applicable to all concerns employing 10 or more workers, where power is used and to establishments employing 20 or more workers where power is not used, the Bombay Shops and Establishment Act, 1948, regulates conditions of work and employment in shops, commercial establishments, residential hotels, restaurants, eating houses, theatres and other places of public amusement and entertainment and includes provisions for granting of leave with pay. Under the Shops and Establishments Act, every employee, who has worked for not less than 270 days during a year (*i. e.* a year commencing on 1st April) shall be allowed during the subsequent year, leave consecutive or otherwise for a period of not less than 14 days, inclusive of (a) the weekly holiday or holidays during the period of leave, on which a shop or commercial establishment is closed or (b) in case of residential hotel, a restaurant or an eating house, a theatre or other public place of amusement or entertainment a holiday or holidays to which the employee is entitled. Such leave is also allowed to be accumulated up to a maximum period of 28 days. The Act further provides that if any employee who has been in the employment for not less than a year and who has worked for 90 days or more but for less than 270 days is discharged during any subsequent year by his employer before he has been allowed the leave or quits his employment having been refused leave even though he had applied for it he shall in addition be entitled in such a year to leave for a period in the same proportion as the number of days for which he worked bears to 270 days.

The Saurashtra Shops and Establishments Act, 1955, which was applicable to the Saurashtra area of the State also contained provisions regarding leave, similar to those obtaining in the Bombay Shops and Establishments Act. There was no statutory provision regulating the conditions of work and employment in shops and commercial establishments etc. in Kutch area. With a view to securing uniformity in respect of the law relating to such regulation the Bombay Shops and Establishments Act, 1948, was extended to the rest of the State by the Gujarat Amendment Act of 1961. The leave provisions have been altered. The new Act provides that every employee who has been employed for not less than 3 months in any year, shall for every 60 days on which he has worked during the year be allowed leave, consecutive or otherwise, for a period of not less than 5 days; further every employee who has worked for not less than 240 days during the year shall be allowed leave, consecutive or otherwise for a period of not less than 21 days. Accumulation is allowed upto a maximum period of 42 days.

The following table gives information regarding provisions relating to leave in the different States under the Shops and Commercial Establishments Act.

TABLE

State	Privilege leave with wages	Casual leave with wages	Sick leave with wages	Other kind of leave with wages
1	2	3	4	5
1 Uttar Pradesh ..	Leave for 15 days for all employees; but watchmen or caretaker entitled to 60 days ordinary leave with wages.	10 days C. L. with wages.	15 days S. leave with wages shall be admissible only after continuous employment for a period of 6 months.	All prescribed public holidays with wages.
2 Kerala ..	12 days annual leave with wages. ( Acc. 24 days.).	12 days with wages.	12 days with wages.	..
3 Andhra (Hyderabad area ).	12 days with wages ( Acc. 24 days ).	12 days with wages.	12 days with wages.	Every employee shall be entitled to holidays with pay on the days specified from time to time by the State Govt. by Notification.
4 Madhya Pradesh.	1 month with wages ( Acc. 3 months ).	14 days with wages.	..	..
5 Madras ..	12 days ( Acc. 24 days).	12 days	12 days	..
6 Orissa ..	Leave with wages at the rate of— (i) For an adult one day for every 20 days of work performed by him during previous year. (ii) For child-one day for every 15 days of work performed by him during the previous year.	..	15 days with wages.	..
7 Rajasthan ..	Leave with wages at the rate of— (i) for an adult one day for every 12 days of work performed by him during the previous Calander Year. (ii) For a child-one day for every 15 days of work performed by him during the previous calander year.  Leave not enjoyed can be carried forward in the next year provided that total number of days of leave that may be carried forward to a succeeding year, shall not exceed 30 in the case of an adult and 40 in case of a child.	..	..	..
8 Gujarat ..	5 days for every 60 days worked in a year and 21 days for 240 days worked in a year. Leave can be accumulated upto 42 days.	..	..	..
*9 Assam ..	16 days ( cannot be accumulated)	10 days	Maximum of one month on half pay after 12 months' continuous employment.	3 holidays for religious purpose.

State	Privilege leave with wages	Casual leave with wages	Sick leave with wages	Other kind of leave with wages.
1	2	3	4	5
10 Bihar ..	Leave with wages at the rate of (i) if a child, one day for every 15 days of work and (ii) in any other case one day for every 20 days of work. The maximum number of days of leave which can be carried forward are 40 for children and 30 in any other case.	..	..	..
*11 Bombay (Maharashtra).	14 days (can be accumulated up to 28 days.).	..	..	..
*12 Mysore ..	10 days (can be accumulated upto 20 days) for adults 12 days (can be accumulated upto 24 days) for young persons.	10 days (adult) 12 days young person).	..	..
*13 Punjab ..	14 days after 1 year's continuous service, 7 days after 6 months' continuous service.	..	..	..
*14 West Bengal..	14 days (can be accumulated upto 28 days.).	10 days	14 days on half pay (can be accumulated upto 56 days).	..
*15 Delhi ..	15 days (can be accumulated upto 30 days.).	12 days	..	3 national holidays.

\* The information has been taken from the Bombay Norms Committee Report as the same has not been received from the States.

The Bombay Civil Service Rules which have been adopted by some of the Local Authorities in this State make the following provision in respect of leave.

Type of Govt. employee	Rate at which earned leave is earned and granted	Rate at which half pay leave is earned and granted	Commuted leave
1	2	3	4
Class III ..	(1) 1/11th of duty period (2) 180 days maximum accumulation. Out of this 120 days can be enjoyed at one time.  If leave is spent out of India up to 180 days.	(1) 20 days for one completed year's service (service means duty plus leave of any kind including extraordinary leave i. e., without pay also).  (2) This leave accumulated for any number of days.  (3) All this leave can be taken at a time.	(1) Half the amount of half pay leave is granted as commuted leave.  (2) This leave is granted on medical certificate only.  (3) Twice the amount of this leave actually taken is debited to half pay leave.  (4) In entire service this leave is granted for 180 days only.  (5) The Govt. employee must return to duty after leave.
Class IV ..	(1) 1/11th of duty period. (2) 180 days maximum accumulation. Out of this 120 days can be enjoyed at one time. If leave is spent out of India upto 180 days.	(1) 20 days for one complete year's service (service means duty plus leave of any kind including extraordinary leave i. e. without pay also).  (2) This leave can be accumulated for any number of days.  (3) All this leave can be taken at a time.	(1) Half the amount of half pay leave is granted as commuted leave.  (2) This leave is granted on medical certificate only.  (3) Twice the amount of this leave actually taken is debited to half pay leave.  (4) In entire service this leave is granted for 180 days only.  (5) The Govt. employee must return to duty after leave.

The Vyas Review Samiti which was appointed for Safai Kamdars by the former State of Saurashtra, gives the following recommendations regarding leave :—

Privilege leave with wages.	Sick leave with wages.	Casual leave with wages.	Other kinds of leave with wages.
1	2	3	4
1 month's P. L. with wages to permanent safai kamdars every year	All permanent Safai Kamdars will be given S.L. as is given to Govt. Servants.	15 days' C. L. with wages to safai kamdars every year.	(1) Full one day's leave with wages every week to safai kamdars on any day of the week convenient to the municipality.  (2) Festival holidays 1/2 day's leave with pay should be given to every safai kamdar on a Gazetted Holiday.  (3) Maternity leave — It is recommended that Female safai Kamdars may be given 8 week's maternity leave with wages. They will not be eligible to privilege leave of the year, in which maternity leave is enjoyed by them.

*N. B.*—The Vyas Review Samiti recommended to apply and implement leave rules regarding privilege leave, casual leave and sick leave to safai kamdars as are applied to Government Servants.

**Maternity Benefit.**—The advantages of a maternity benefit system to women workers are universally recognised. It is only a part of the whole movement due to the realisation of the fact that the health of the wage earning population is one of the greatest responsibilities of the State. The care of the woman wage earner assumes greater importance under modern industrial conditions. Maternity benefits are designed to protect the health of mothers and children by providing adequate medical and nursing care in child-birth and by providing pecuniary relief for the woman during her enforced absence from work. Towards this end the exclusion of the expectant mother from industrial work for some period before and after child birth is necessary. Most of the leading countries in the world have, therefore, made provision by legislative enactment. The object of all existing legislation is briefly (1) to protect the health of both mother and child by ensuring proper rest to the mother shortly before and after child birth; and (2) to ensure the health of the child after the mother returns to work.

Under the Bombay Maternity Benefit Act, 1929, every woman employed in a factory for not less than nine months immediately preceding the date on which she gives notice of confinement to the employer is entitled to the payment of maternity benefit for the actual days of her absence for the period immediately preceding her confinement for the four weeks immediately following it at certain rates. The maximum period for which any woman is entitled to the payment of maternity benefit is eight weeks comprising four weeks up to and including the day of her delivery and four weeks immediately following that day. If a woman dies during this period, the benefit is payable only for the days upto and including the day of her death.



*Benefits available under the maternity benefits acts*

The following table gives information on benefits available in this country under the Maternity Benefit Acts:—

Name of Act 1	Qualifying conditions 2	Period of benefit (in weeks) 3	Rate of Benefit 4
1. Kerala Maternity Benefit Act, 1957.	150 days' service during the 12 months or if on rol for 9 months immediately preceding the date of notice.	12	Rs. 5.25 per week or at 7/12th of the average daily wage multiplied by 7 for a week whichever is higher.
2. Madhya Pradesh Maternity Benefit Act, 1958.	9 months' service preceding the date of notice.	12	7/12th of average daily earnings or 75 n.P. per day whichever is higher.
3. Orissa Maternity Benefit Act, 1953.	6 months' service preceding the date of notice.	12	Actual daily wage or salary subject to a minimum of As. 12 per day.
4. Uttar Pradesh Maternity Benefit Act, 1938.	6 months' service preceding the date of notice.	8	Average daily earnings or As. 8 per day whichever is greater.
5. Mines Maternity Benefit Act, 1941.	6 months' service preceding the date of delivery.	8	(1) As. 12 per day. (2) Rs. 6 per week for 16 weeks to woman who has worked below ground for atleast 90 days in a mine during a period not exceeding six months.
*6. Assam Maternity Benefit Act, 1944.	150 days service during the period of 12 months immediately preceding the date of notice.	8 for women employed in factories and 12 for those in plantations.	Plantations Re. 0-11-6 per day in addition to usual food concession during the period of 4 weeks preceding the day of delivery and 8 weeks after date of delivery.
7. Bihar Maternity Benefit Act, 1947.	6 months' service preceding the date of notice.	12	Average daily earnings or 75 n.P. per day whichever is greater.
*8. Bombay Maternity Benefit Act, 1929.	9 months' service preceding the date of notice.	8	As. 8 per day in the cities of Bombay and Ahmedabad and elsewhere at the rate of average daily earnings or As. 8 per day whichever is less.
*9. Hyderabad Maternity Benefit Act, 1942.	9 months' service preceding the date of notice.	12	As. 12 per day.
*10. Madras Maternity Benefit Act, 1934.	240 days' service during the period of one year immediately preceding the date of notice.	7	As. 8 per day.
*11. Mysore Maternity Benefit Regulation, 1937.	9 months' service preceding the date of notice.	8	Average daily wage or As. 8 per day whichever is less.
*12. Punjab Maternity Benefit Act, 1943.	9 months' service preceding date of delivery.	34 days	Average daily earnings or As. 12 per day whichever is greater.
*13. Rajasthan Maternity Benefit Act, 1953.	7 months' service preceding the date of notice.	8	Average daily earnings or As. 12 per day whichever is greater.
14. (a) Bengal Maternity Benefit Act, 1939.	9 months' service preceding the date of delivery	8	Average daily earnings or As. 8 per day whichever is greater.
*(b) West Bengal Maternity Benefit (Tea Estates) Act, 1948.	150 days' employment in the 12 months immediately preceding the expected day of delivery.	8	do.

\*Information in respect of the Maternity Benefits Acts of these States has been taken from the Report of the Bombay Norms Committee as information from these States was not received.

Recently the Government of India have enacted the Maternity Benefit Act, 1961 which is substantial improvement upon the existing legislation on the subject. Under the Act, a woman who has actually worked in the establishment of an employer from whom she claims maternity benefit for a period of not less than 160 days in the 12 months immediately preceding the date of her expected delivery is entitled to the payment of maternity benefit at the rate of the average daily wage for the period of her absence immediately preceding and including the day of her delivery and for the six weeks immediately following that day. The average daily wage is the average of the wages payable to her for the days on which she had worked during the period of three calendar months immediately preceding the date from which she absents herself on account of maternity or one rupee a day whichever is higher. The maximum period for which any woman is entitled to maternity benefit is twelve weeks, 6 weeks upto and including the day of her delivery and 6 weeks immediately following that day. The amount of maternity benefit for the period preceding the date of her expected delivery is to be paid in advance by the employer and the amount due for the subsequent period within 48 hours of production of proof of delivery of the child. The Act also provides for payment of medical bonus of Rs. 25 if no prenatal confinement and post-natal care is provided by the employer free of charge. Leave for a period of 6 weeks with wages at the rate of maternity benefit is also provided in the case of miscarriage. In case of illness arising out of pregnancy, delivery, premature birth of child or miscarriage, a woman is entitled to an additional leave with wages at the rate of maternity benefit for a maximum period of one month. Further, the Act provides that every woman delivered of a child who returns to duty after delivery shall in addition to the interval for rest allowed to her, be allowed in the course of her daily work, two breaks of the prescribed duration for nursing the child, until the child attains the age of 15 months.

It may be mentioned that the Employees State Insurance Scheme makes provision for five benefits (1) Sickness Benefit, (2) Maternity Benefit, (3) Disablement Benefit, (4) Dependents Benefit and (5) Medical Benefit. An insured person who is entitled to benefit under the scheme is not eligible to claim similar benefit under the Workmen's Compensation Act or the Maternity Benefit Act. The scheme has not so far been implemented in the Gujarat State.

*Sick Leave.*—The principle of providing sick leave with wages to the workman has been recognised by many tribunals. Not only the principle of providing sick leave with wages is well settled and recognised; but even the principle of providing medical aid to the workers during sickness is well recognised and settled by statute (Employees State Insurance Act). It may be pointed out that employers often resisted the claims of workmen to leave in addition to what was prescribed in the Act. Workmen on the other hand have claimed additional leave on grounds of health and efficiency. As far as sick leave is concerned, they have pointed out that the existing working conditions in many of the industries are far below the normal and the workers at times fall sick; that during the period of sickness the worker is confronted with two problems (1) the question of maintaining himself and his family and (2) the sickness itself. They have, therefore, urged that there was sufficient justification for grant of sick leave with wages. Many of the tribunals have also taken the view that what the law prescribed is the minimum and it did not place any restriction for the grant of further claims in this behalf. Some tribunals had considered the benefit of the provision of the Employees State Insurance Act as substantial and no directions regarding sick leave have been given in such cases. This question had come up in the case of Hindustan Times and their workmen before the

Supreme Court (1963 I, LLJ P. 108). The court had stated that it could not be contended that in view of the provisions of the Employees State Insurance Act, no provision need be made about sickness leave at all in the cases of workmen getting benefits under the provisions of the said Act; that it is difficult to see how the benefit that the workmen will get under the Act could affect the question of sickness leave being provided for the workman. The Act does not provide for any leave to the workman on the ground of sickness. It provides in section 46(i) (a) for a periodical treatment of any insured person in case of sickness if certified by a duly appointed Medical Practitioner. The court then observed as follows :—

“It appears to us clear however that in providing for periodical payments to an insured worker in case of sickness (sickness benefit) or for medical treatment or attendance to him or the members of his family, the legislature did not intend to substitute any of these benefits for the workmen's right to get leave on full pay on the ground of sickness”.

*Casual Leave.*—Casual leave is generally intended to enable the workers to meet certain emergent occasions and to fulfil their obligation in unforeseen circumstances. The Labour Appellate Tribunal in the case of Jecwanlal Ltd. (1951 II LLJ, 774) had held that non-cumulative Casual leave was a regular feature in industrial concerns for a long time. The necessity for providing casual leave to workmen has been recognised by the Industrial Tribunal, Madras, in Standard Motor Products of India Ltd., vs. their workmen (Fort St. George Gazette, Part I, Supplement dated 12th February 1958, P. 14). In the case of Jyoti Limited, Baroda, (B. G. G. Part I-L, 25th September 1958, page 4535), the Industrial Tribunal dealing with the subject of Casual leave had observed: “.....It can hardly be denied that the worker is bound to have a few occasions every year, apart from his own sickness when he has to remain absent for unavoidable reasons. Absence on such occasions like marriage in the family or serious illness or death can hardly be avoided. The question always is not whether a worker should be allowed to remain absent or not. The real question is whether he must be paid for certain days when he has to remain absent or not. If he is not paid, it will make a serious inroad on his already meagre resources. It is true that every monetary benefit granted to the industrial workers would reduce profits and, therefore, in the last analysis reduce the quantum available for bonus. But this is no reason to allow any inroad in the minimum earnings of the industrial workers when he has perforce to remain absent on account of his own illness or other compelling reason. His claims have a priority over that of the general body of workers for bonus. Provision for paid casual leave for a few days every year is, therefore, made in a large number of awards.”

Grant of casual leave has also been recognised in many other decisions of the tribunals.

*Holidays.*—The question of fixing a uniform Standard of national and festival paid holidays in private undertakings had come up for discussion before the 12th Session of the Indian Labour Conference. However, owing to divergent views expressed by the workmen's and employers' representatives the proposal was dropped. The following table gives the information regarding the number of paid public holidays in other countries of the world.

*Number of paid Public Holidays during the year\**

Country	Number of paid public holidays
Chile, Peru .. .. .	1
Greece,    Uruguay .. .. .	3
Cuba .. .. .	4
Switzerland .. .. .	4-8
Brazil, Costa Rica, France × Mexico, Union of South Africa ..	5
Ireland, United Kingdom, U.S.S.R. .. .. .	6
Netherlands .. .. .	6-10
Argentina, Czechoslovakia, Egypt, United States .. .. .	7
Canada .. .. .	7-9
Guatemala, Nicaragua, Yugoslavia .. .. .	8
Denmark .. .. .	8-9
New Zealand, Portugal, Venezuela .. .. .	9
Australia .. .. .	9-12
Belgium, Finland, Luxembourg, Norway, Poland ‡	10
Federal Republic of Germany .. .. .	10-13
Sweden .. .. .	11
Turkey .. .. .	12
Austria .. .. .	12-13
Indonesia .. .. .	12-15
Italy † .. .. .	16
Colombia .. .. .	17

Certain States have introduced legislation fixing the number of paid holidays. Tribunals in the State have also considered favourably the question of grant of holidays and have awarded holidays with pay in a number of cases.

### RECOMMENDATIONS

The Committee having examined 357 cases of leave of all types and 256 cases of paid holidays recommends the following norms for leave and paid holidays :—

#### *Privilege Leave :*

#### Industries

##### GROUP "A"

1. Engineering ..	} Workmen other than Clerks. As per the Factories Act, 1948.
2. Chemical .. ..	
3. Match .. ..	
4. Oils .. ..	
5. Papers .. ..	

\* I. L. O Hours of work, Report VIII ( 1958 ) P. 25.

|| Workers paid by the day receive no wages for public holidays on which they do not work.

× In France there are 11 statutory holidays in the year, but only one day is required by law to be paid holiday. However, by collective agreements applying in various industries or undertakings, an additional number of days are paid for, up to the full 11 days, but most commonly five.

‡ Two additional days are recognised by law as public holidays, namely Easter Sunday and Whit Sunday.

† In the Public administration, in addition to the number of paid public holidays shown, two other days are regarded as public holidays for the purposes of applying the reduced time table.

## GROUP "A"

6. Leather and Tanneries
7. Glass
8. Pharmaceuticals
9. Paints and Varnishes
10. Soaps
11. Printing Presses
12. Rubber
13. Wood and Furniture
14. Snuff
15. Potteries
16. Cement

Clerical Staff

Same as in the case of employees working in the office of the Factory i.e. same as fixed for the employees in the Commercial Establishments.

## GROUP "B"

Local Authorities

All workmen

As per Bombay Civil Service Rules.

## GROUP "C"

Hospitals

All workmen

As per Bombay Civil Service Rules.

## GROUP "D"

Hotels and Restaurants

All workmen

As per Bombay Shops and Commercial Establishments Act, 1948, as applicable to Gujarat State.

## GROUP "E"

Bidi

All workmen

As per Factories Act, 1948.

## GROUP "F"

Cotton Ginning and Pressing

All workmen

As per Factories Act, 1948.

## GROUP "G"

Salt

All workmen

As per Factories Act, 1948.

## GROUP "H"

Stone Breaking and Stone Crushing.

All workmen

On the lines of Factories Act, 1948.

## GROUP "I"

Cinema

All workmen

As per Bombay Shops and Commercial Establishments Act, 1948, applicable to the Gujarat State.

## GROUP "J"

Shops and Commercial establishments.

All workmen

As per Bombay Shops and Commercial Establishments Act, 1948, applicable to the Gujarat State.

*Sick Leave.*—The Committee has examined 269 Cases of Sick Leave from Awards, Agreements and Settlements and has come to the conclusion that uniform norm of seven days with wages in a year in all the industries covered under the purview of the Norms Committee be recommended. The sick leave may be accumulated upto 3 years.

*Casual Leave.*—In respect of casual leave the Committee has examined 271 Cases from Awards, Agreements and Settlements and recommends seven days Casual leave with wages in a year for all the industries covered under the Norms Committee.

The detailed information regarding leave is given in Appendix VI.

*Paid Holidays.*—The Committee has examined 256 cases in respect of paid holidays from the Awards, Agreements and Settlements and recommends five paid holidays in a year in respect of all the industries covered under the Norms Committee. The detailed information is given in Appendix VII.

The above recommendations regarding privilege leave, casual leave, sick leave and holidays shall not operate prejudicially in so far as the workmen are concerned and if in any establishment or concern, workmen get more benefits than those recommended above, the same shall be continued to be given to them.



## CHAPTER IV

### BONUS

In common parlance bonus means a gift or a gratuitous payment over and above the normal remuneration. The concept of the definition of the term "bonus" has been discussed at length in the Muir Mills Case (L. L.J.1955 Vol. I, P. 1) and the same is reproduced below :—

The primary meaning of the word "bonus" according to the definition given in the New English Dictionary is :—

"A boon or gift over and above what is nominally due as remuneration to the receiver and which is therefore something wholly to the good."

This definition was adopted by Stirling, J, in re Eddystone Marine Insurance Company (1894 Weekly Notes 30).

Webster's International Dictionary defines bonus as

"Something given in addition to what is ordinarily received by or strictly due to the recipient."

The Oxford Concise Dictionary defines it as

"Something to the good, into the bargain (and as an example) gratuity to workmen beyond their wages."

Corpus Juris Secundum, Vol. II, at p. 515, ascribes the following meanings to the word "bonus"—

"An allowance in addition to what is usual, current or stipulated: a sum given or paid beyond what is legally required to be paid to the recipient; something given in addition to what is ordinarily received by or strictly due to the recipient".

and adds :

"It has been said to carry the idea of something uncertain and indefinite, something which may or may not be paid depending on varying circumstances and under particular conditions has been said to imply a benefit accruing to him who offers it and an inducement to the offeree."

This imports the conception of a boon, a gift or a gratuity otherwise described as an ex-gratia payment.

The word "bonus" has however acquired a secondary meaning in the sphere of industrial relations. It is classified amongst the methods of wage payment. It has been used especially in the United States of America to designate an award in addition to the contractual wage. It is usually intended as a stimulus to extra effort but sometimes represents the desire of the employer to share with his workers the fruits of their common enterprise. (*vide* Encyclopaedia Britannica, Vol. 3, p. 856) :—

The Pocket Part of the Corpus Juris Secundum Vol. II under the heading "As Compensation for Services" quotes the following passage from the Attorney-General V. City of Woburn (317 Mass. 465) :—

"The word 'bonus' is commonly used to denote an increase in salary or wages in contracts of employment. The offer of a bonus is the means

frequently adopted to secure continuous service from an employee, to enhance his efficiency and to augment his loyalty to his employer and the employee's acceptance of the offer by performing the things called for by the offer binds the employer to pay the bonus so called."

It also gives another meaning of the word "bonus" viz.

"increased compensation for services already rendered gratuitously or for a prescribed compensation where there is neither express nor implied understanding that additional compensation may be granted."

This imports the conception that even though the payment be not strictly due to the recipient nor legally enforceable by him a claim to the same may be laid by the employee under certain conditions and if such claim is entertained either by an agreement with the employer or by adjudication before a properly constituted tribunal as on an industrial dispute arising, the same would ripen into a legally enforceable claim.

This position was recognized in *Sutton V. Attorney-General* (39 Times Law Reports 294) where the Earl of Birkenhead observed at p. 297 :—

"The term 'bonus' may of course be properly used to describe payments made of grace and not as of right. But it nevertheless may also include, as here, payments made because legally due but which the parties contemplate will not continue indefinitely."

And in *National Assurance of local Government Officers V. Bolton Corporation* (1943 A. C. 166 at p. 187) :—

"This payment, if made, cannot properly in my opinion be regarded as a mere gratuity. Though there is an element of bounty in it, the bounty, if granted, is given for good reasons of national policy. I do not see why this does not fall within the definition of trade dispute just as a dispute as to the rate of wages or salary".

To a similar effect are the observations in *Kenicott v. Supervisors of Wayne County*, [83 United States 452 (21 Lawyers Edition 319)].

"But second, the meaning of the word 'bonus' is not given to it by the objection. It is thus defined by Webster. A premium given for a loan or a charter or other privilege granted to a company; as, the bank paid a bonus for its charter; a sum paid in addition to a stated compensation.' It is not a gift or gratuity, but a sum paid for services, or upon a consideration in addition to or in excess of that which would ordinarily be given,"

and also in *Great Western Garment Company, Ltd., v. Minister of National Revenue* (1948 D.L.R. 225 at p. 233):—

"A bonus may be a mere gift or gratuity as a gesture of goodwill and not enforceable, or it may be something which an employee is entitled to on the happening of a condition precedent and is enforceable when the condition is fulfilled.

But in both cases it is something in addition to or in excess of that which is ordinarily received."



The Textile Labour Inquiry Committee defined 'bonus' as follows :--

"The term 'bonus' is applied to a cash payment made in addition to wages. It generally represents the cash incentive given conditionally on certain standards of attendance and efficiency being attained."

The term has however gradually acquired a characteristic of a right in industrial law and it is now well recognised that it is a legally enforceable claim.

### HISTORY OF BONUS

Before the 1st world war some managements used to pay bonus to the worker, annually with a view to encouraging regular attendance and good work. The Cotton Textile Workers of Bombay received a 10 percent increase in their wages in July 1917, owing to war condition. This was increased to 15 percent in January 1918. Soon after there was a strike in the Century Mills, Bombay and this became general. There was a compromise according to which the war bonus was increased from 15 percent to 35 percent and the wages for January were also increased by the payment of bonus of 10 to 20 Rupees per worker. On 1st December 1919, the employers sanctioned payment of bonus to all operatives on the Muster Roll on 31st December, 1919 at rates depending on the length of service. Certain alterations were thereafter made on 22nd December, 1919, owing to request from the workers, but nevertheless another strike commenced on 2nd January, 1920\*.

Bonus was also paid for the years 1920, 21 and 22. No Bonus was paid for the year 1923. This led to a general strike at Bombay in January, 1924. On 22nd February, 1924, a Committee, under the Chairmanship of the then Chief Justice of the High Court of Bombay Sir Norman Macleod, was appointed to enquire into the dispute between the Cotton millowners and the Workmen. The Committee was directed to merely record findings of facts and was not to make any award or recommendations for action\*. The Committee after making necessary inquiries declared that the mill workers had not established any enforceable claim, customary, legal or equitable to the payment annually of a bonus†.

In Ahmedabad, an Arbitration Board was in existence since June, 1921, for the settlement of disputes between the mills and the workmen. The workers had demanded one and half months' pay as bonus for the year 1921. The arbitrators—Seth Mangaldas, Chairman of the Millowners' Association and Mahatma Gandhi, representing the workmen disagreed on the question of bonus and then a series of strikes occurred. On 7th October, 1921, mukadams and oil-men in six mills struck work. Six Mills struck work on 9th October 1921, and one or two on each of the following days the workers in the weaving department being the most prominent of the strikers. On the 19th October, the weavers of 6 more mills—the Raipur group—numbering 1374 struck work. More joined in from 20th October, when 150 weavers of the Ahmedabad Industrial Mills, 205 from the Ahmedabad Kaiser-i-hind Mills and on 24th October, 134 weavers of the Ahmedabad Fine Spg. and Wvg. Mills Co., Ltd., came out. The main strike took place on the 25th October, when 46 mills were affected. The strikers numbered 33373 out of a total strength of 42050 in those mills. By this time the Millowners

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\*Bombay L. G. March, 1924, Page 16

†Bombay L. G. March, 1924 P. 17

had agreed to the appointment of Pandit Madan Mohan Malaviya as Umpire. The umpire gave his award on the 28th October, 1921 and the deadlock ended. Pandit Madan Mohan Malaviya had made the following remarks in his award:—

“ I am clearly of opinion that when a mill has made handsome profits the workmen who have by their faithful co-operation enabled the mill to earn such profits, should as an ordinary rule be given, at the end of each year, a bonus equal to one month's salary. When the profits have been extraordinarily handsome, millowners might very properly and wisely give a larger bonus to the workmen.”

The question of bonus for 1922 for Ahmedabad mill workers was also referred to the arbitration of Mr. Mangaldas C. Parekh and Principal Anandshankar B. Dhruva. The arbitrators gave an award on 1st October, 1922. However, there were disputes between workmen and the managements over the question of interpretation of the terms and several strikes followed. In December 1922, the Millowners' Association had resolved to reduce the wages of the operatives owing to the continued depression. As these matters could not be amicably settled, there was a general strike from 1st April 1923 which lasted 65 days.

A Settlement was arrived at after negotiations on the part of Shri Dhruva and Seth Kasturbhai Lalbhai on the one hand and the President of the Millowners on the other. The Union accepted some cut in wages and as regards bonus, the Districts and Sessions Judge of Ahmedabad was appointed as umpire to go into the question of interpretation of the last bonus award. The award of the umpire ultimately went in favour of the employees\*.

A general strike involving 2500 workers occurred in four Cotton mills at Surat over the question of bonus for 1922. After prolonged negotiations, a settlement was reached in 3 of the mills. The bonus fixed was  $42\frac{1}{2}$  per cent of month's wages instead of 100 percent demanded by some of the strikers.†

During the years that followed, the cotton textile industry faced a severe depression and there were no important developments in regard to bonus either at Bombay or at Ahmedabad, though some *ad-hoc* bonuses were given in some undertakings. The outbreak of the world war II brought about a change in the situation.

Following the publication of the report of the Rangnekar Board of Conciliation, the M.O.A. Bombay announced their intention to pay a D. A. of annas 2 per head per day of attendance as recommended by the Board. Dissatisfied with the rate of allowance the Bombay Girni Kamgar Union (Red Flag) declared a general strike in the Bombay mills on 3rd March, 1940. The Government of Bombay, which was closely watching the progress of the dispute came to the conclusion that although the dispute had arisen on the question of Dearness Allowance, a contributory factor was the desire on the part of the workers to share in the profits which would accrue to the industry in view of war conditions. The Government, therefore, took up the question with the Millowners Association, Bombay and inquired of them whether they would be prepared to give a war bonus to their workers if increased profits were made by the industry as a result of war condition. The Millowners Association gave an assurance that the industry would consider sympathetically any reasonable proposal for the grant of war bonus

@Bombay L. G. November, 1921, Page 22.

\*Bombay L. G. June, 1923, Page 23 ; July 23, Page 17.

†Bombay L. G. November, 1922, Page 22.

or allowance under certain conditions. In August, 1941 the textile mill workers at Bombay commenced agitation for increase in wages on the ground that the financial position of the industry has considerably improved during the last one year. The Government of Bombay again took up the question of a war bonus with the Millowners Association, Bombay and as a result of this discussion the Association agreed to grant cash bonus of  $12\frac{1}{2}$  per cent to their workers for the year 1941.

In August 1941, the Textile Labour Association, Ahmedabad, had also given a notice of change to the Ahmedabad Millowners Association asking for an increase of 25 per cent in wages mainly on the ground that substantial improvement in the condition of the textile industry was known to have taken place since January, 1941.

Conciliation proceedings failed and after further protracted negotiations the parties agreed to file a submission in the Industrial Court and obtain its award in terms of the Settlement arrived at between the parties themselves. According to this settlement the Ahmedabad Millowners' Association agreed to grant for the year 1941, a bonus ranging from Rs. 2-4-0 to Rs. 10-8-0 per head per month to different categories of workers.\*

Managements of the Cotton Textile Mills of Sholapur also decided to grant a war bonus equivalent to 2 annas in a rupee on the total earnings during the year 1941 to all their workers.\*\*

Again for the years 1942 to 1945 the textile workers at Bombay got a bonus of  $\frac{1}{6}$ th of the annual earnings. In 1945, an additional Victory Bonus amounting to one month's basic earnings was also paid. For the year 1946, the Industrial Court directed the mills at Bombay to pay  $\frac{1}{6}$ th of the annual workers' earnings by way of bonus. In 1947 the Court awarded  $\frac{1}{6}$ th of the annual basic earnings and the mills in addition paid an Independence bonus equivalent to one month's basic earnings. For the year 1948, there was again a dispute between the parties and the matter went up to the Industrial Court. The Court went elaborately into the matter, laid down certain principles and awarded bonus equivalent in amount to  $\frac{3}{8}$ th of the total basic earnings subject to certain conditions.

As already mentioned earlier, Cotton textile workers at Ahmedabad got bonus equivalent to  $1\frac{1}{2}$  months' wages for the year 1941. In 1942, a bonus equal to  $2\frac{1}{2}$  months' wages was paid as per agreement between the Textile Labour Association and Ahmedabad Millowners' Association. For each of the years from 1943 to 1947, the workers got  $\frac{1}{6}$ th of the annual earnings as bonus. For the year 1948, the amount was  $\frac{3}{8}$ th of the basic earnings as per award of the Industrial Court. For the years 1949 and 1950, the amount as directed by the Industrial Court was  $\frac{1}{6}$ th of the basic earnings in the majority of the mills.

In reference No. 1 of 1945, in the matter of an industrial dispute for bonus for 1944, between the Textile Labour Association and the Ahmedabad Millowners' Association, Ahmedabad, the Industrial Court had held that the demand for bonus was an industrial matter which could be adjudicated by the Court. Again, in the award regarding the Millowners' Association, Bombay and the employees of the Cotton Textile Mills (Ref. 1 of 1946-ICR 1946-47 page 386), it was stated that "in the domain of industrial relations between employers and workers the rights and duties of the parties are not

\*L. G. December 1941, Page 363

\*\*L. G. January, 1942, Page 476.

†I. C. R. (Supplement 1949, Page 168).

governed merely by civil law but by collective bargaining in the Settlement of disputes arising out of demands made by one on another for more earnings, better conditions of work and increased production. The justification for such demands as 'industrial matter' arises especially when wages fall short of the living wage standard and the industry makes huge profits part of which are due to the contribution which the workers make in increasing production."

In reference (IC) No. 7 of 1949 (ICR Suppl. 1949, page 168) in the dispute between the Millowners Association, Bombay and the employees regarding bonus for the year 1948 the full bench of the I.C. Bombay has stated that the connotation of the expression 'Bonus' had not always remained the same and that the conception that it was an ex-gratia payment had been clearly abandoned by the Court. After discussing at length the nature and character of bonus, the Court observed—"It may, therefore, be stated that so long as the living wage standard has not been attained the bonus partakes primarily of the character of the satisfaction, often partial and temporary, of the deficiency in the legitimate income of the average worker in an industry, and that once such income has been attained it would also partake of the character of profit-sharing. Owing to this dual character of bonus it would be a mistake to regard a demand for bonus as a demand for profit-sharing pure and simple."

It may be pertinent to point out here that the Government of India appointed an Expert Committee (profit-sharing) to study and advise the Government of India,

"On the principles to be followed for the determination of:—

- (a) fair wages to labour.
- (b) fair return to capital employed in the industry.
- (c) reasonable reserves for the maintenance and expansion of the undertaking, and
- (d) labour's share of the surplus profits calculated on a sliding scale normally varying with production, after provision has been made for (b) and (c) above."

The Committee viewed its problems from three important angles, viz. "profit-sharing as an incentive to production, profit-sharing as a method of securing industrial peace, and profit-sharing as a step in the participation of labour in management." The Committee recognised that putting back profits into the industry is one of the most useful forms of capital investment and this should be encouraged and it recommended that a figure of 20 per cent for reserves should be generally aimed at, though it considered that, as a first charge, 10 per cent of the net profits should be compulsorily set aside for reserves, leaving it to the good sense of the management to allocate the balance or more out of their own share in surplus profits. The Committee stated that, having due regard to the conditions prevailing in the industry selected for an experiment in profit-sharing, it had come to the conclusion that labour's share should be 50 per cent of the surplus profits of the undertakings.

Although the recommendations of the Committee were considered by the Central Advisory Council of Labour, no further action appears to have been taken.

In 1950, the question of bonus for 1949 for the employees in the Cotton Textile mills at Bombay, came up before the Industrial Court. The court in its award made on 7th July 1950\* directed the Mills to pay to their employees, whether permanent or temporary, 1/6th of the basic earnings as bonus, subject to certain conditions. Against this award, the Millowners' Association, Bombay went in appeal before the Labour Appellate Tribunal and it was this appeal that led to the development of the *Available Surplus Formula*. The L. A. T. held that they were not prepared to accede to the view that in the matter of payment of bonus a unit of an industry in a particular region should be ordered to pay on the ground that some amongst them are able to pay by reason of having surplus. It also repelled the contention that bonus is ex gratia payment when wages have been standardized especially as wages had not reached the living wage standard. The Labour Appellate Tribunal observed, "We cannot, therefore, accept the broad contention that a claim to bonus is not admissible where wages have (as in the case before us) been standardized at a figure lower than what is said to be the living wage. Where the industry has capacity to pay, and has been so stabilised that its capacity to pay may be counted upon continuously, payment of "living wage" is desirable; but where the industry has not that capacity or its capacity varies or is expected to vary from year to year so that the industry cannot afford to pay "living wages", bonus must be looked upon as the temporary satisfaction, wholly or in part, of the needs of the employee." The question about the grant of bonus was considered in general on the basis of which a formula (*Available Surplus Formula* or *Labour Appellate Tribunal Formula*) was ultimately evolved.

#### *L. A. T. Formula :*

According to the formula, the gross profits have to be first arrived at and the following prior charges have to be provided for :—

- (1) Depreciation.
- (2) Income-tax.
- (3) Rehabilitation.
- (4) Return at 6 percent on paid-up capital.
- (5) Return on reserves used as working capital at a lesser rate than the return on paid up capital.

After making these deductions from the gross profits, the available surplus is arrived at.

The Supreme Court in the *Muir Mills Case* (1955 LLJ. Vol. I P. 1) has neither approved nor disapproved of the formula. The following conditions were laid down which would have to be satisfied before a demand for bonus could be justified.

"(1) When wages fall short of the living standard; and

(2) The industry makes huge profits part of which are due to the contribution which the workmen make in increasing production. The demand for bonus becomes an industrial claim when either or both these conditions are satisfied."

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\*(B. L. G. Dated 13th July 1950-LLJ, 1950, Page 978).

In the State of Mysore *vs.* the workmen represented by the Champion Reef Mine Labour Association and others (Civil Appeal No. 648 of 1957—Unreported), the Supreme Court has held that the full bench formula has received the general approval of the Supreme Court. The Supreme Court had observed as follows :—

“It may be conceded that this industry has some special needs of its own; but it cannot be denied that the principles of social justice on which a claim for bonus is founded apply as much to this industry as to others. Social and economic justice have been given a place of pride in our constitution and one of the directive principles of State policy enshrined in article 38 requires that the State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social economic and political shall infuse all the institutions of national life. Besides article 43 enunciates another directive principle by providing that the State shall endeavour to secure, by suitable legislation or economic organisation or in any other way, to all workers, agricultural, industrial or otherwise, work, a living wage, conditions of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities. The concept of social and economic justice is a living concept of revolutionary import, it gives sustenance to the rule of law and meaning and significance to the ideal of a welfare state. It is on this concept of social justice that the formula in question has been founded and experience in the matter of industrial adjudication shows that, on the whole the formula has attained a fair amount of success. It is true that in industrial adjudication purely technical and legalistic considerations which are apt to lead to rigidity or inflexibility would not always be appropriate; nor is it desirable to allow purely theoretical or academic considerations unrelated to facts to influence industrial adjudication. In its attempt to do social justice, industrial adjudication has to adjust rival claims of the employer and his workmen in a fair and just manner and this object can best be achieved by dealing with each problem as it arises on its own facts and circumstances. Experience has shown that the formula in question is, in its application, elastic enough to meet the requirements of individual cases and so we do not think that the appellant has made out a case for any addition to the existing categories of prior charges. It is clear that the amounts which can be admitted under the said existing categories would have to be determined in the light of the evidence adduced by the employer and having regard to the special requirements of the employer's industry”

The Formula came up for detailed examination before the Supreme Court in the case of Associated Cement Companies., Ltd., *vs.* workmen (1959 LLJ Vol. I. P. 644). The Supreme Court observed :—

“In its broad features it recognises the claims of the industry and tabulates them under different items as prior charges and then provides for the distribution of available surplus between the labour, the industry and the share holders. The items specified in the formula have to be worked out notionally on theoretical grounds; in determining the content of each one of the items, it is, therefore essential to scrutinise and weigh carefully all the relevant and material facts. If the content of each item is determined objectively in the light of all relevant and material facts, the tribunals would naturally find it possible to make reasonable adjustments between the rival claims and provide for a fair distribution of the available surplus. In this sense it is necessary to treat the formula as elastic and not rigid in working out detailed calculations under it.”

### *Working of the Formula :*

(a) *Calculation of Gross Profits.*—The first step is to ascertain the gross profits for the year in question. For this purpose, to the net profit shown in the profit and loss account the following are added back (i) depreciation and taxation already provided (ii) any sums out of profits taken over to any reserves like the gratuity reserve (iii) any item of revenue expenditure relating to past years or a provision for future years. *e.g.* bonus for past years paid during the year or provision for future bad debts or losses of previous years adjusted during the year should be added back (iv) expenditure of a capital nature (v) expenditure not necessary for the business *e.g.* donation to charity (vi) provision for future losses and reserves for capital expenditure if provided in the profit and loss Accounts (vii) excessive remuneration whether in the form of commission or bonus to the directors or the managerial staff.

However, certain profits unrelated to the efforts of the workmen will have to be deducted.

In this connection attention is invited to the observations of the Supreme Court which are as follows :—

“The Tribunal must resist the temptation of dissecting the balance sheet too minutely or of attempting to reconstruct it in any manner. It is only in glaring cases where the impugned item may be patently and obviously extraneous that a plea for its exclusion should be entertained. Where the employer makes profit in the course of carrying on his trade or business it would be unreasonable to inquire whether each one of the items of the said profit is related to the contribution made by labour. In such matters the Tribunal must take an over all practical and common sense view”. (LLJ 1959 Vol. I, P. 663).

(b) *Calculation of Depreciation.*—Having ascertained the amount of gross profits, the amount of depreciation will have to be deducted. The question of depreciation became a controversial issue. The Full Bench of the Labour Appellate Tribunal in the case of U. P. Electrical Supply Co. Ltd., *vs.* Workmen (1955 LLJ Vol. II, P. 431), held that “the depreciation which should be deducted from the gross profits in working the formula is annual depreciation allowable under provisions of the Income Tax Act including the multiple shift depreciation.” ..... “that the initial depreciation and additional depreciation which were also allowed under the Income Tax Act are abnormal additions to the income tax depreciation designed to meet particular contingencies and for a limited period; and so it would not be fair to the workmen that these two depreciations should be rated as prior charges before the available surplus is ascertained.” However in the Surat Electric Supply Co. case (1957 LLJ Vol. II, P. 648) a Smaller Bench of the Labour Appellate Tribunal allowed normal depreciation as calculated according to the straight line method and not as allowed by the income tax authorities which is the written down value method.\*

Since this decision was given it is the notional normal depreciation that is deducted from the gross profit. The Supreme Court upheld the view taken by the L.A.T. regarding notional normal depreciation and has observed that this view is consistent with the basic idea of social justice.

\*In the straight-line method of fixed instalment system of calculation, if the cost of the machine is Rs. 100 and its life is estimated at 10 years then the original cost of Rs. 100 is divided by 10 i.e. the life of the machine and the amount of depreciation is arrived at.

The written-down value method is to allow the percentage for depreciation every year but the percentage is calculated on the written-down or depreciated value so that as years go by the quantity of depreciation becomes less and less. Thus, if the value of the machinery is Rs. 100 and 10 per cent is the depreciation allowed then at the beginning of the second year the depreciation value will be Rs. 90 i.e. Rs. 100 less 10 per cent of Rs. 100 and the depreciation for the second year will be 10 per cent of Rs. 90 which is the depreciation value. Thus, in this method depreciation in the subsequent years is not calculated on the original cost but on the written-down value.



on which the original formula has been founded ( *Vide* Decisions of the Supreme Court in A. C. C. 1959 Vol. I, LLJ P. 644; Indian Hume Pipe Co. 1959 LLJ Vol. II P. 357).

(c) *Calculation of Income-tax.*—The next item of charge in the bonus calculation is the taxation. Balance obtained after deducting depreciation from gross profit is taken as the amount on which calculations have been made about income-tax. In this connection it may be mentioned that Industrial Tribunals have consistently taken the view that income-tax calculated on the trading profits for the relevant year must be deducted as a prior charge from the gross profits even though the employer may be entitled to claim exemption under the Income-tax Act owing to the fact that he had suffered losses during the previous year. Again managements have argued that statutory depreciation was disallowed under the available surplus formula. It must inevitably add to the total amount of gross profit. Logically, therefore, higher provision of income-tax must be made. This contention of the employer has not been accepted by the Supreme Court (*Shri Meenakshi Mills Ltd., Madurai vs. Workmen*, 1958 I, LLJ. P. 239). A similar view was taken by the Supreme Court in *Associated Cement Companies Case* where it observed.....“We should, therefore, hold that in calculating the amount of tax payable for the bonus year, the Tribunal should take into account the concessions given by the Income-tax Act to the employers under the two more depreciations allowed under section 10(2)(vi) of the Income-tax Act.”

It is now well settled that actually income tax payable by a concern on the basis of full statutory depreciation allowed by the income-tax authority for the relevant year should be taken into account as a prior charge irrespective of any set-off allowed by the income tax authority for prior charges or any other consideration such as building up of income-tax reserves for payment of enhanced liability of income-tax accruing in future.

(d) *Return on paid up capital.*—The next item to be deducted is the fair return on paid up capital. In most cases it has been considered that the return of 6 per cent. on paid up capital was fair. In some cases, however, the rates have been slightly modified depending on the relevant circumstances of the case. The principle of granting higher return than 6 per cent. is based on the risk involved in the industry (*Assam Tea Co., Case - 1956 LLJ I. P. 157*). A lesser return than 6 per cent. was given in the case of *Model Mills (1955-LLJ (I) 534)* and also *Ruston and Hornsby (India) Ltd. (1955-LLJ (I) 73)*. Ordinarily, however, tribunals award 6 per cent. return on paid up capital.

(e) *Return on reserves used as working capital.*—The main principle on the basis of which a fair return is allowed on reserves used as working capital is that if there were no such reserves the industry would have to borrow and pay interest for utilisation as working capital. It has been held that the onus of proof is upon the management and unless there is evidence as to the amount of reserves used as working capital and the period for which the amounts are used no return will be allowed. It is also recognised that in computing the amount of reserves on which the management would be entitled to a return, the following should be deducted from the reserves shown in the balance sheet: (i) cash on hand and in bank, (ii) investment and (iii) amount spent for addition to plant, machinery and building. (*U. P. Electricity Supply Co. Ltd., case 1955 LLJ Vol. II, P. 431*). It may also be pointed out that no distinction has been made by the Tribunals between reserves used as working capital and depreciation fund similarly used. As regards the rate of return the Tribunals have awarded from 2 per cent. to 4 per cent. and they are not tied down to any fixed



or rigid rates which could be claimed and awarded. The rate would inevitably be a question of fact to be decided by the Tribunal in each case in the light of relevant facts and circumstances.

(f) *Rehabilitation Charges*.—The Supreme Court of India in the case of *Associated Cement Companies Ltd., vs. Workmen* 1959-LLJ Vol. I, Page-644), had re-examined and re-enunciated the law relating to Rehabilitation Reserve and some extracts from the judgment are given below:—

The original formula referred to replacement, rehabilitation and modernization of the plant and machinery. Soon after the formula was evolved, a dispute arose as to whether the industry was entitled to claim rehabilitation for its building as well and it was held that—

“A claim for rehabilitation for building had to be treated as a prior charge just like the claim for the rehabilitation of plant and machinery (1952-I. LLJ. P. 518 at 520, 521)”. The object of providing depreciation of wasting assets in commercial accounting is to recoup the original Capital invested in the purchase of such assets; but the amount of depreciation which is allowed under the formula can hardly cover the probable cost of replacement. That is why the formula has recognised the industry's claim for rehabilitation in addition to the admissible depreciation. Since the Second World War prices of industrial plant and machinery have registered a continuous upward rise and its inevitable consequence has been a proportionate rise in the claim for rehabilitation. In considering the claim for rehabilitation, it is first necessary to divide the blocks into plant and machinery on the one hand and other assets like building, roads, railway sidings etc., on the other. Then the cost of these separate blocks has to be ascertained and their probable future life has to be estimated. Once, this estimate is made it becomes possible to anticipate approximately the year when the plant or machinery would need replacement and it is the probable price of such replacement on a future date that ultimately decides the amount to which the employer is entitled by way of replacement cost.”

As regards the question of level of prices, which should be considered in making calculation about the probable cost of replacement, the Supreme Court observed\*:

“It seems to us that in order to enable the tribunal to make an estimate in this matter as near actualities or realities as possible, it is necessary that the tribunal should be given full discretion to admit all relevant evidence about the trend in price levels. The price levels during the bonus year would no doubt be admissible, but that alone should not be taken as the basis for decision. That is the view which the tribunals have taken in a majority of cases in dealing with the question of rehabilitation and we do not think that there is any justification for disturbing the usual practice in that behalf.”

“The problem of determining the probable cost of replacement itself is very difficult; but the difficulty is immeasurably increased when it is remembered that the claim for rehabilitation covers not only cases of replacement pure and simple but of rehabilitation and modernization. In the context rehabilitation is distinguished from ordinary repairs which go into the working expenses of the industry. It is also distinguished from replacement. It is quite conceivable that certain parts of machines which constitute a block

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\*1959--LLJ, Vol. I-P. 668-669.

may need rehabilitation though the block itself can carry on for a number of years; and this process of rehabilitation is in a sense a continuous process. Unlike replacement, its date cannot always be fixed or anticipated. So with modernization; and all these three items are included in the claim for rehabilitation. That is why we think it is necessary that the tribunals should exercise their discretion in admitting all relevant evidence which would enable them to determine this vexed question satisfactorily."

"The decision on the question of the probable cost of rehabilitation is always reached by adopting a suitable multiplier. This multiplier is based on the ratio between the cost price of the plant and machinery and the probable price which may have to be paid for its rehabilitation, replacement or modernization. Since there has been a continuous rise in the prices of industrial plant and machinery, the older the plant which needs rehabilitation the higher is the multiplier. That is why there is always a competition between industry and workmen on this point. Industry is sometimes tempted to keep its old pre-1939 block alive with a view to claim a higher multiplier which gives it a larger amount of rehabilitation expenditure; whereas workmen urge that the old pre-1939 block had been nominally kept alive as a device and so press for a lower multiplier which would reduce the claim for rehabilitation. Once a proper multiplier is adopted in respect of each one of the blocks, the first step in determining the probable cost of rehabilitation can be easily taken. It then becomes a matter of mere arithmetical calculation.

At this step the divisor steps in. The total amount required for rehabilitation which is determined by the application of a suitable multiplier in respect of each block has to be divided by a suitable divisor in respect of each block in order to ascertain the annual requirement of the employer in that behalf year by year. In the case of the divisor the employer seeks for a lower divisor, whereas the workmen claim a higher divisor and this contest has to be decided by the tribunal by reaching a fair conclusion on one evidence before it about the probable future life of the block in question.

†Before actually awarding an appropriate amount in respect of rehabilitation for the bonus year certain deductions have to be made. The first deduction is made on account of the breakdown value of the plant and machinery which is usually calculated at the rate of 5 per cent. of the cost price of the block in question. Then the depreciation and general liquid reserves available to the employer are deducted. The reserves which have already been reasonably earmarked for specific purposes of the industry are, however, not taken into account in this connection. Last of all the rehabilitation amount which may have been allowed to the employer in previous years would also have to be deducted if it appears that the amount was available at the time when it was awarded in the past and that it had not been used for rehabilitation purposes in the meanwhile. These are the broad features of the steps which have to be taken in deciding the employer's claim for rehabilitation under the working of the formula.

*Five Year Bonus Pact.*—It would be relevant to consider the history preceding the Five Year Pact and the circumstances which brought it into being. As mentioned earlier for the years 1941 to 1948 bonus was paid by the Cotton Textile Mills in Ahmedabad on an industrywise basis, without any exemption, under awards or agreements. For the year, 1949 there was an industrywise award giving two months basic wages as bonus. Six loss making mills were exempted. However, they still paid one month's basic wages as bonus. For the year 1950, an award giving two months' basic wages

was made. Gujarat Spinning and Weaving Mills Ltd. was exempted from paying bonus, but it paid  $1\frac{1}{2}$  month's basic wages as bonus. Four other mills which were not covered by the award also paid some bonus. For the year 1951, the dispute with regard to bonus between the Mill Owners' Association and the union was referred to arbitration. The arbitrators awarded three months' basic wages as bonus. Six mills which were not members of the Mill Owners' Association and were not parties to the award paid 2 to 3 months' basic wages as bonus. The year 1952 was a bad one for the entire textile industry. The dispute regarding bonus was referred to the Umpire Shri H. V. Divate an ex-judge of the Bombay High Court and a former President of the Industrial Court. The learned Umpire in giving his award observed that ever since the former practice of taking all the textile mills at one centre as one unit for the purposes of bonus was given up there had been dissatisfaction on both sides, that he hoped that the Ahmedabad Mill Owners' Association and the Textile Labour Association which had so often co-operated in the past in promoting the good of the industry could not find it impossible to arrive at an agreed formula for bonus. \*

It appears that after the decision of the Supreme Court in the Muir Mills case, there was dissatisfaction among workers employed in Ahmedabad Textile Mills who used to get bonus even from loss making mills. Therefore, the union and the Mill Owners' Association entered into a Five Year Pact (1953 to 1957) to ensure that workers in loss making concerns continue to get some bonus in accordance with their previous practice. By the pact the parties agreed that the bonus be paid for five years in accordance with a formula which was substantially in accordance with the bonus formula as then understood with variations necessitated by the provisions for a minimum and maximum bonus, and the consequent necessity of "set off" and "set on". The Five Year Pact Formula made provision for rehabilitation in accordance with the decision of the Industrial Court which had fixed a figure of Rs. 55 crores for a period of 15 years from 1947. Provision was made for statutory depreciation, for taxation and for return on paid up capital and reserves used as working capital as prior charges. After that the balance was to be utilised in payment of bonus, subject to a minimum and maximum in accordance with an *ad-hoc* formula with provision for "set off" and "set on" in the succeeding year or years. \*

The pact was copied in the Bombay Cotton Textile Industry by Five Year Agreement for the years 1953 to 1957, between the Bombay Mill Owners Association and the Rashtriya Mil Mazdoor Sangh, which is the representative union for the employees in cotton textile industry in Bombay. To a few mills, which were not members of the Association, the pact was made applicable by Government under section 114(2) of the B. I. R. Act. The pact was copied by Madhya Bharat Mill Owners Association and the Indore Mill Mazdoor Sangh, by the Modi Spg. and Wvg. Mills, Modinagar and the union there, also by the cotton mills at Surendranagar, Sidhpur, Kalol (with the variation that the pact was for three years *viz.* 1955, 1956 and 1957). Virangam, Nadiad (for 4 years, 1954, 1955, 1956 and 1957), Petlad (for 1952, 1953 and 1954; subsequently extended for 1955, 1956 and 1957), Cambay, Baroda, Surat, (for three years 1955, 1956, and 1957). The pact was also copied with minor variations by the Silk Industry in Bombay (for a period of 3 years), and a pact to pay bonus to workers in the plantation industry in Madras was entered into whereby the employers agreed to pay a certain bonus "regardless of profits or losses". \*

#### 1958 -- Bonus Dispute.

When the Five Year Agreement regarding bonus between the Ahmedabad Mill Owners Association and the Textile Labour Association came to an

\* I. C. R. Aug. 1960 p. 502-503.

and a dispute arose about bonus for the year 1958. The agreement was not extended and a notice of change under section 42 of the B. I. R. Act was given by the Textile Labour Association to the Ahmedabad Mill Owners' Association on 21st July 1959 claiming that all the employees employed during the year 1958 in the member mills be paid an adequate amount of bonus having regard to the volume of profits, if any, or some bonus irrespective of profits to fill the gap between the existing wage and the living wage so as to avoid unrest among the employees.

A notice in the same terms was given to the individual mills also. As no agreement was arrived at between the parties, 66 references with respect to 66 mills were made to the Industrial Court. The Industrial Court while dealing with the above issue had remarked :—

“ There must be some virtue about an agreement so extensively copied ”. The Industrial Court also referred to the observations made by the learned Shri H. S. Naik, in the case of Bombay Mill Owners' Association *versus* Rashtriya Mill Mazdoor Sangh, Bombay : “ This award, based upon an agreement arrived at as a result of persistent and continued efforts on the part of both the parties keeping in view the prosperity of the employers as well as the well being of the employees, will go down in history as a significant land mark in collective bargaining. It augurs well for the future of the industry, as well as those employed therein, particularly in view of the ambitious Second Five Year Plan on which the country will shortly launch. It also avoids, for some time, and let us hope for all time to come, the bonus dispute which cropped up every year since 1947. I congratulate both the parties and compliment them on the successful termination of their efforts to bring peace to the industry and set an example to the employers and employees in the countries ”. \*

The Industrial Court considered all the 66 references together and came to the conclusion that the Five Year Agreement had worked fairly to both sides and was substantially in accord with the long standing practice in the industry in Ahmedabad even before the agreement and that its extension for one year was essential for keeping industrial peace. The Court, therefore, ordered the extension of agreement for the year 1958 and directed the parties to file within 6 weeks from the date of the award, calculations of bonus payable for the year 1958, in the light of the decision and thereafter the court would proceed to award appropriate bonus in the case of each individual mill. Thereupon there were 52 applications for special leave to appeal to the Supreme Court in which special leave was granted (14 mills had accepted the decisions of the Industrial Court ), 34 of the appeals arising out of the special leave petitions were withdrawn. In the case of the remaining 18 mills, the Supreme Court by a majority decision held that the Industrial Court in extending the formula in the agreement which departed from the Full Bench Formula in certain vital respects was undoubtedly ignoring the industrial law as laid down by the Supreme Court and going against it. Therefore, it directed † that the Industrial Court should proceed to try the question whether any bonus should be awarded to the employees of the 18 mills on the basis of the full bench formula as interpreted by that Court in the case of Associated Cement Companies ( 1959-I. LLJ, P. 644 ).

A copy of the five year bonus pact of 1955 is given as Appendix VIII.

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\* ( B. G. G. Part I-L, dated 22nd March, 1956, p. 1058 )

† 1981-I-LLJ, p. 521.

***Recent Four Year Bonus Pact :***

On 13th October, 1961 the Ahmedabad Mill Owner's Association and the Textile Labour Association, Ahmedabad, entered into an agreement regarding bonus for 4 years, 1959, 1960, 1961 and 1962. A copy of this agreement is given as an Appendix IX.

***Appointment of Bonus Commission :***

It may be pointed out that after the evolution of the Full Bench Formula by the Labour Appellate Tribunal some tribunals appeared to have taken the view that the rigid working of the formula may defeat its object of recognising the social justice of labour's claim for bonus and so they had made suitable adjustments in its operation. In fact, the working of the formula was not found to have satisfied labour, which was pressing for a revision of the formula. The question of revision of the formula was considered by the Supreme Court in Associated Cement Co.'s case ( 1959-I-LLJ-644). It was the case of labour that though the formula purports to recognise the principle of social justice on which the labour's claim for bonus is based, it does not accord to the said claim, the high priority it deserves. Social Justice has been given a place of pride in the preamble to the constitution and it has been enshrined in the Directive Principles under Articles 38 and 43. Since 1950, ideas about Social and Economic justice have made an appreciable progress and they require readjustment of priorities prescribed by the formula in favour of the claim for bonus. It was also contended by labour that employers were becoming increasingly more rehabilitation Conscious and their appetite for the provision for rehabilitation was fast growing, with the result that in most cases, after allowing for rehabilitation there was no surplus left for the purpose of bonus and the main object of the formula was thus frustrated. It was further urged on behalf of the workmen that the whole of the rehabilitation expenses should not be provided for out of trading profits and that claim for rehabilitation should be fixed at a reasonable amount and the industry should be required to find the balance from other sources. The Supreme Court had then held that :—

“ Though there may be some force in the plea made for the revision of the Full Bench Formula, the problem raised by the said plea is of such a character that it can appropriately be considered only by a high-powered commission and not by this Court, while hearing the present group of appeals. ”

This issue was again dealt with by the Supreme Court in the 1958 bonus dispute in Ahmedabad Textile Mills ( 1961-LLJ-I, P. 521 ). The Court observed that :—

“ Since this Court delivered its judgment in the case of Associated Cement Companies ( 1959-I-LLJ-644 ), it has come to our notice that in cases where the employer claims an exaggerated amount for rehabilitation, or where a reasonable claim made by the employer in that behalf is unreasonably challenged by the employees the dispute is protracted. The trial of the issue tends to become complicated and that leads to bitterness between the parties. It has been urged before us that time has now come when the Industrial Courts will have to face the problem of radically changing the formula. It is argued that modern economic thought does not encourage the theory that the whole of the rehabilitation amount must come from the current profits of the industry, and it was stated before us that Government may have gradually to step in to assist the industry by advancing sufficient loans on reasonable terms to enable the industry to meet the

demand of its rehabilitation. However, as we pointed out in our decision in the Case of A. C. C. ( 1959-I-LLJ-644 ), these matters can be properly and effectively decided by an Industrial Court if the major representative industries in the country and their employees are brought before it with a proper reference or it can be tackled more appropriately by a high-power commission appointed in this behalf. ”

Thus owing to the uncertainty attaching to it the question of bonus has become a source of friction and dispute. With a view to evolving guiding principles and norms for the payment of bonus, the Government of India appointed on 6th December, 1961, a Seven man-commission, composed of the following :—

*Chairman*

- (1) Shri M. R. Meher.

*Independent Members*

- (2) Shri M. Govind Reddy, M. P.  
(3) Dr. B. N. Ganguli, Director, Delhi School of Economics.

*Workers' Representatives*

- (4) Shri S. R. Vasavada.  
(5) Shri S. A. Dange, M. P.

*Employers' Representatives*

- (6) Shri N. Dandekar.  
(7) Shri D. Sandilya.

The terms of reference of the Commission will be as follows :—

(1) to define the concept of bonus and to consider, in relation to industrial employments, the question of payment of bonus based on profits and recommend principles for computation of such bonus and methods of payment.

The term ‘ industrial employments ’ will include employment in the private sector and in establishments in the public sector not departmentally run and which compete with establishments in the private sector.

(2) To determine the extent to which the quantum of bonus should be influenced by the prevailing level of remuneration.

(3) (a) To determine what the prior charges should be in different circumstances and how they should be calculated.

(b) To determine conditions under which bonus payments should be made unit-wise, industry-wise and industry-cum-region-wise.

(4) To consider whether the bonus due to workers, beyond a specified amount, should be paid in the form of National Savings Certificates or in any other form.

(5) To consider whether there should be lower limits irrespective of losses in particular establishments and upper limits for distribution in one year and, if so, the matter of carrying forward profits and losses over a prescribed period.

(6) To suggest an appropriate machinery and method for the settlement of bonus disputes.

(7) To make such other recommendations regarding matters concerning bonus that might be placed before the Commission on an agreed basis by the employers' (including the public sector) and the workers' representatives.

Most of the employers have stated before the Norms Committee that in view of the appointment of the Bonus Commission, the Norms Committee should not make any recommendations. The Gujarat INTUC has, however, stated that till the recommendations of the Bonus Commission are implemented the 1955 Pact between the Mill Owners' Association and Textile Labour Association should form the basis for the settlement of dispute regarding bonus.

#### *Distribution of Available Surplus :*

Once the amount of rehabilitation is determined the available surplus for the bonus year is ascertained and the final stage is reached when the tribunal has to give directions for the distribution of the said available surplus. It is not seriously disputed that three parties are entitled to claim a share in this available surplus. Labour claims bonus from it, the industry claims a share for the purpose of its expansion and other needs, and shareholders claim a share by way of additional return on the capital invested by them. In the case of the Mill Owners' Association, Bombay (1952-I, LLJ. 581) where the formula was evolved, out of the available surplus of Rs. 2.61 crores, 2.16 crores was distributed by way of bonus leaving a balance of 0.45 crores with the industry. In the Trichinopoly Mills Ltd. *versus* National Cotton Mill Workers' Union (1953 II-LLJ. 361) the available surplus was found to be Rs. 34,660 and out of it Rs. 30,000 was ordered to be distributed as bonus to the workmen. These two and other similar instances, however, cannot be pressed into service for the purpose of evolving any general rule as to the ratio or proportion in which the available surplus should be distributed. The ratio of distribution would, obviously depend upon several facts : what are the wages paid to the workmen and what is the extent of the gap between the same and a living wage ? Has the employer set apart any gratuity fund ? If yes, what is the amount that should be allowed for the bonus year ? What is the extent of the available surplus ? What are the dividends actually paid by the employer and what are the probabilities of the industry entering upon an immediate programme of expansion ? What dividends are usually paid by comparable concerns ? What is the general financial position of the employer ? Has the employer to meet any urgent liability such as redemption of debenture bonds ? These and similar considerations will naturally determine actual mode of distribution of the available surplus. In this connection labour's claim to fill up the gap between the wage actually paid to it and the living wage has an important bearing on the decision of this point. Industry's claim for paying additional return on capital and for making additional provision for expansion would also have to be considered. The fact that the employer would be entitled to a rebate of income-tax on the amount of bonus paid to his workmen has to be taken into account and in many cases it plays a significant part in the final distribution.\*



## RECOMMENDATIONS

The Bonus Commission has already been appointed by the Government of India. This Commission is understood to have completed the hearing of the parties at various centres and presumably its work is likely to be finalised very shortly. As this Bonus Commission is to lay down a general formula on bonus on an all-India basis, this committee feels it inadvisable to lay down any norms for Bonus. The formula that may be ultimately laid down by the Bonus Commission should be the norms.

## OTHER TYPES OF BONUS

The discussions in the preceding paragraphs have centred round what is called as profit bonus. Besides, there are three other types of bonus, which have been evolved under the industrial law as laid down by the Supreme Court in India. Firstly, there is what is called a Production Bonus or Incentive Wage (see *Titaghur Paper Mills, versus their Workmen*, 1959 II, LLJ, P. 9); the Second is bonus as an implied term of contract between the parties (See *Ispahani Ltd. versus Ispahani Employees' Union* 1959 II, LLJ. P. 4) and the third is customary bonus in connection with some festival (see *Grahams Trading Co. versus their workmen*, 1959 II, LLJ P. 393).

### *Production Bonus :*

Production Bonus is an increase in the emoluments of the worker according to a scale when the worker produces more than the minimum fixed. Production bonus would, therefore, normally apply to time rated workers or in some cases to a team of workers.

A production bonus scheme will entitle the workmen to the bonus whether the company makes any profit or not. Tribunals have also held that a scheme of production bonus is a healthy scheme for providing incentive to greater effort and more production. These principles have been laid down in the *Metal Box Co. of India Ltd. versus their workmen* (1952(1) LL. J. 822 at 827, 1952 L. A. C. 322 at 330) and followed in *Shalimar Rope Works Mazdoor Union versus Shalimar Rope Works Ltd.* (1956 (2) LLJ. 371-1957 L. A. C. 496).

The Supreme Court in the case of *Titaghur Paper Mills Co. Ltd. versus Workmen* (1959 II, LLJ. P. 9) has discussed the question of Production Bonus in detail. The court observed :

“ The payment of production bonus depends upon production and is in addition to wages. In effect, it is an incentive to higher production and is in the nature of an incentive wage. There are various plans prevalent in other countries for this purpose known as incentive wage plans worked out on various basis, for example, Halsey Premium Plan, Bedaux Plan, Premium Plan, Haynes Manist System and Emerson Efficiency Bonus Plan (see *Labour Law by Smith*, second Edition P. 723.). The simplest of such plans is the straight piece rate plan where payment is made according to each piece produced, subject in some cases to a guaranteed minimum wage for so many hours' work. But the straight piece rate system cannot work where the finished product is the result of co-operative effort of a large number of workers each doing a small part which contributes to the result. In such cases production bonus by tonnage produced, as in this case, is given. There is a base or standard above which extra payment is made for extra production in addition to the basic wage. Such



a plan typically guarantees time wage upto the time represented by standard performance and gives workers a share in the savings represented by superior performance. But whatever may be the nature of the plan, the payment in effect is an extra emolument for extra effort put in by workmen over the standard that may be fixed. That is the reason why all these plans are known as incentive wage plans and generally speaking have little to do with profits. The extra payment depends not on extra profits but on extra production. The extra payment calculated on the basis of extra production is in a case like the present where the payment is made after the annual production is known, in the nature of emoluments paid at the end of the year. Therefore, generally speaking, payment of production bonus is nothing more nor less than a payment of further emoluments depending upon production as an incentive to the workmen to put in more than the standard performance."

Distinguishing Production Bonus from Profit Bonus, the Supreme Court observed :—

"The nature of this bonus, therefore, in our opinion, is entirely different from the nature of profit bonus under the Full Bench Formula and we do not see why if there is an available surplus of profit according to the Full Bench Formula, the workmen should not get profit bonus in accordance with that formula. The two things, in our opinion, are different. Under the scheme what the workers got is a supplementary emolument worked out on certain basis. Under the Full Bench Formula, what they get is something out of the profits, if there is an available surplus on the ground that both capital and labour contribute to the accrual of profits and it is only fair that labour should get a part of it."

*Bonus as an Implied Term of Contract Customary Bonus in connection with Festival :*

The question of payment of bonus as an implied term of contract or as a customary or traditional bonus was considered by the Supreme Court of India in detail in *Ispahani Ltd., Calcutta versus Ispahani Employees' Union* ( 1959 II, LLJ. P. 4 ) and in *Grahams Trading Co. India Ltd. versus their Workmen* ( 1959 II, LLJ. P. 393 ). The Supreme Court has fully explained the distinction between these types of bonus. Puja is a special festival of particular importance in Bengal ; and it has become usual with many firms there to pay their employees bonus to meet special Puja expenses. Disputes have arisen with respect to this bonus which were adjudicated upon by various tribunals. As far back as in 1949, in a dispute between the Bengal Chamber of Commerce, Calcutta and its employees ( Publication of Government of West Bengal, " Awards made by the Tribunals for the quarter ending, March, 1949, " P. 116 ), the Industrial Tribunal which adjudicated upon the disputes observed that Durga Pooja was a national festival in Bengal and it was customary to make presents to near and dear ones and to relatives at that time. As it was difficult for poorly paid employees to make savings out of the monthly income for this purpose, it, therefore, had become traditional and customary in Bengal for employers to make a monetary grant at the time of the Pooja. The Bengal Chamber of Commerce had not been slow in appreciating this and had been granting bonus equivalent to one month's pay and the Tribunal had been assured that there was no intention to discontinue it.\* Later, this matter came up before the Appellate Tribunal in *Mahalaxmi Cotton Mills Ltd., Calcutta versus Mahalaxmi Cotton Mills Workers' Union* ( 1952-II, LLJ. 635 ). In that case Pooja Bonus was claimed as a matter of right, payable by the employer at a special season of the year, namely, at a time of the annual Durga Pooja. This right was not based on the general principle

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\*1959 II, LLJ. P. 395

that labour and capital should share the surplus profits available after meeting prior charges. It was held in that case that this right rested on an agreement between the employer and the employees, and that the agreement might be either express or implied. Where the agreement was not express, circumstances might lead the tribunal to an inference of implied agreement. The following circumstances were laid down in that case as material for inferring implied agreement:—

- (1) The payment must be unbroken ;
- (2) It must be for a sufficiently long period ;
- (3) The circumstances in which payment was made should be such as to exclude that it was paid out of bounty.

The Appellate Tribunal further pointed out that it was not possible to lay down in terms what should be the length of period to justify the inference of implied agreement and that that would depend upon the circumstances of each case. It also pointed out that the fact of payment in a year of loss would be an important factor in excluding the hypothesis that the payment was out of bounty and in coming to the conclusion that it was as a matter of obligation based on implied agreement. As to the quantum of bonus it was laid down that even if payment was not at a uniform rate throughout the period the implied agreement to pay something could be inferred and it would be for the Tribunal to decide what was the reasonable amount to be paid as Puja bonus. The tests laid down in that case have since been followed in a number of cases by the industrial tribunals and the Labour Appellate Tribunal.\*

The Supreme Court in the case of *Ispahani Ltd., Calcutta versus Ispahani Employees' Union* observed : “ It may now be taken as well settled that Puja Bonus in Bengal stands on a different footing from the profit bonus based on the Full Bench Formula evolved in the *Mill Owners' Association, Bombay versus Rashtriya Mill Mazdoor Sangh, Bombay* ( 1950 LLJ. 1247 ). The claim for Puja bonus in Bengal is based on either of two grounds. It may either be a matter of implied agreement between employers and employees creating a term of employment for payment of Puja bonus, or ( secondly ) even though no implied agreement can be inferred it may be payable as a customary bonus. In the present case we are concerned with the first category ( namely, that based on an implied agreement creating a term of employment between the employer and the employees, ) and, so we shall confine ourselves to that category. It was this kind of bonus which was considered by the Appellate Tribunal in *Mahalaxmi Cotton Mills Case*. We are of opinion that the tests laid down in that case for inferring that there was an implied agreement for grant of such a bonus are correct and it is necessary that they should all be satisfied before bonus of this type can be granted.\*

The Supreme Court has, however, pointed out in the case of the *Grahams Trading Co. versus their Workmen* (LLJ. 1959 II P. 393) that when the question of customary and traditional bonus arises for adjudication considerations may be somewhat different. “ In such a case the tribunal will have to consider —

- (i) Whether the payment has been over an unbroken series of years ;
- (ii) Whether it has been for a sufficiently long period, though the length of the period might depend on the circumstances of each case ; even so the

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\* 1959 II. LLJ. P. 7.

period may normally have to be longer to justify an inference of traditional and customary Puja bonus than may be the case with Puja bonus based on an implied term of employment.

(iii) The circumstances that the payment depended upon the earning of profits would have to be excluded and, therefore, it must be shown that payment was made in years of loss. In dealing with the question of custom, the fact that the payment was called ex-gratia by the employer when it was made, would however, make no difference in this regard because the proof of custom depends upon the effect of the relevant factors enumerated by us; and it would not be materially affected by unilateral declarations of one party when the said declarations are inconsistent with the course of conduct adopted by it.

(iv) And the payment must have been at a uniform rate throughout to justify an inference that the payment at such and such rate had become customary and traditional in the particular concern.

It will be seen that these tests are in substance more stringent than the tests applied for proof of Puja Bonds as an implied term of employment. \*



## CHAPTER V

### PROVISION FOR THE FUTURE OF WORKERS

In foreign countries the question of provision for the future of the employees by an employer does not assume the importance which it has in this country in view of the existence of Schemes for old age pensions and of social security. The best known social security Scheme in the world is the Beveridge Scheme obtaining in the U. K. Further, several employers have schemes of their own for safeguarding the future of the employees. Moreover, life insurance is much more prevalent in occidental countries than it is in India. In this connection the following remarks of an Actuary may be quoted :—

“ Life Insurance in India has touched only a fringe of the total population consisting mostly of the middle and upper classes, and does not appear to have reached the working classes. The primary reason for this is that their income is not at all sufficient to provide the enduring savings necessary to pay for life insurance over and above the minimum standard of living necessary even under Indian Conditions.....The next reason for the Indian Workers not having taken to life insurance is the absence of the necessary insurance service in this country comparable to what is provided in industrial insurance in western countries.”<sup>β</sup>

The necessity for making a provision by the employer was not acutely felt in India, because there was no industrial proletariat as such and the village home and land constituted in some measure a source of social security. With the disintegration of the joint family system in the villages this problem became more acute. In fact at the time of the investigations of the Royal Commission on Labour in India this matter came up for discussion and the Commission observed as follows : “ Until such times as it is found practicable to constitute either a general Scheme of old age pensions or provident funds for industrial workers, Government should, wherever possible, encourage employers by financial grants or other means to inaugurate Schemes of this nature for their employees ”. †

In India, some measures have been taken for covering the risks to which a worker is exposed by the enactment of legislation like the Workmen's Compensation Act, 1923, Maternity Benefit Act and the Employees State Insurance Act etc. However, barring the Employees Provident Fund Act, 1952 which is applicable to certain industries there is no statutory provision for old age benefits. The workers avail of the machinery under the I. D. Act, 1947, for obtaining these benefits. It would be pertinent to note the observations made by the All India Industrial Tribunal ( Bank Dispute ), Sen Award P. 103 : “ It is an elementary principle that an employee who has served an institution during the best part of his life should not, on his retirement, have to face the prospects of starvation, indebtedness or dire poverty and it should also be accepted that if an employee dies while in service or shortly after his retirement his family should have some provision to fall back upon at least for a time. In old days many employees even in a humble situation, could hope to save something against rainy days ; but in these days of high cost of living the chances of saving anything substantial are dwindling greatly, if not disappearing for a great many employees.....”

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<sup>β</sup> Problems of India's Labour - A Symposium (Published by the labour Bureau, Government of India, Ministry of labour-1947 ). P. P. 38-39.

† R. C. L. Report, P. 269.

### PROVIDENT FUND LEGISLATION

There was no law governing provident funds in private industries till 1929, when a new chapter IX-A, was inserted in the Indian Income Tax Act, 1922, by section 5 of the Indian Income Tax (Provident Fund Relief) Act, 1929 (XII of 1929). This new chapter made provision for the recognition of provident funds by the Income Tax Commissioners to enable the employers to claim deduction for income tax purposes. Certain conditions were prescribed which had to be fulfilled by a provident fund before it was recognised by the Commissioner.

The Provident Fund Act, 1925 which came into force from 27th August, 1925, deals with provident funds relating to Government Servants, railway administration and local authorities. In 1929, the Royal Commission of Labour stressed the need for formulating schemes for instituting provident funds for industrial workers. The Kanpur Labour Enquiry Committee (1938) as also the Bihar Labour Enquiry Committee (1938) recommended the introduction of contributory Provident Fund Schemes.

The Bombay Textile Labour Enquiry Committee stated that "The institution of a provident fund system enables a more substantial provision being made against old age and retirement than the payment of gratuities". The Committee also suggested for financially strong concerns, the establishment of provident funds as a suitable method of building up a stable labour force. They also recommended that Government should make the provisions of the Provident Funds Act, 1925, applicable to such funds and include in the Schedule of the Act the names of the Cotton Textile Mills establishing provident funds so as to protect, under section 3 of the Act, the workers' contributions from attachment.†

The Central Provinces and Berar Textile Labour Inquiry Committee whilst dealing with the question of the Provident Fund established by the Empress mills in Nagpur stated that they considered it highly desirable that such funds should be established by other mills in the Central Provinces and Berar as well.

The subject of compulsory provident funds was discussed in the third conference of Labour Ministers held in January, 1942 and it was considered advisable to prepare a set of model provident fund rules for circulation to employers. A set of model rules was accordingly prepared and placed for discussion in the fifth Labour Conference held in September, 1943, but owing to the short notice, it could not be discussed there.

The subject was again placed in the fourth meeting of the Standing Labour Committee held in January, 1944. Several suggestions were made for amending the model rules in regard to (1) constitution and management of the fund; (2) rate of contribution by employees; (3) eligibility to get benefits of employers' contributions and (4) restrictions on advances. The model rules were subsequently circulated by the Central Government to the then Provincial and State Governments, employers' and employees' Organisations for information and adoption, if required.

The general response was, however, not very encouraging.

The position of provident funds in private industries has been nicely summed up by the Labour Investigation Committee on their main Report published in 1946, in the following words: "The whole problem of provision against old age on death of bread-winners legitimately falls within the scope

† Report p. 320-321

of social security and it is a matter for consideration whether either the initiation or management of Schemes of provident funds, gratuities and pensions should be left to employers themselves. Of course, so long as there are no schemes of social security introduced in a particular industry or area, the existing private schemes of provident fund etc. should be allowed to continue under the management of employers. The existing schemes in this connection do not appear to be very liberal, and specially in regard to the employers' contribution to provident funds of workers the restrictions on withdrawal of employers' contribution seem to be somewhat unsatisfactory. If provision against old age or death of bread winner is intended to stabilise the industrial worker in employment, the employers' contribution, which is really in consideration for permanent service by the worker, should as far as possible be made available to him on early retirement etc. The absence of social security measures like provident funds, gratuities and pensions in most concerns has largely contributed to the migratory character of Indian labour, and is one of the most important causes of large labour turnover in factories. Though some of the larger employers have instituted tolerably good schemes, the number of such employers is very small. During the last few years, however, some progress has been achieved in this direction. Generally speaking, provident funds are most common, gratuities are given only in some cases and pensions are rather rare. Only some of the provident funds are registered while most are not. In case of unregistered funds, the amount standing to the worker's credit is attachable but not so in the case of registered funds. We are of the opinion that all provident funds, wherever they exist, should be compulsorily registered and treated as trusts. " (Labour Investigation Committee, Main Report, 1946, Page 351 ).

The question was also considered at the Asian Regional Conference of the International Labour Organisation in 1947. It was considered that in view of the financial and administrative conditions in India, a contributory provident fund scheme was preferable to a scheme of pension or gratuity payments. It was felt that in a gratuity scheme the amount paid to the worker or his dependent would be small, as the worker would not himself be making any contribution to the fund. Taking into account various difficulties, financial and administrative, the most appropriate course was considered to be institution of compulsory contributory provident fund in which both employers and workers would contribute. The matter was again discussed at the tenth session of the Indian Labour Conference in 1948. It was generally agreed that the introduction of a statutory provident fund scheme for industrial workers might be undertaken.

#### COAL MINES PROVIDENT FUND AND BONUS SCHEMES ACT, 1948 ( XLVI OF 1948 )

The Board of conciliation appointed by the Central Government in March, 1947, in connection with trade disputes in Bengal and Bihar Coalfields recommended the establishment of a Central compulsory provident fund for coal miners. This proposal was discussed in the first meeting of the Industrial Committee on coal Mining held in January, 1948. Following the discussions the Central Government promulgated the Coal Mines Provident Fund and Bonus Schemes Ordinance of the 23rd April, 1948, authorising the Central Government to frame a provident fund Scheme and a bonus scheme for workers in coal mines throughout the country. The ordinance was replaced by the Coal Mines Provident Fund and Bonus Schemes Act, 1948 ( XLVI of 1948 ) which received the assent of the Governor General on the 3rd September, 1948.

The Coal Mines Provident Fund Scheme set up under the Act applied originally to all coal miners in the States of West Bengal, Bihar, with retrospective effect from May, 1947 and in Madhya Pradesh and Orissa from October, 1947 and later extended to the Collieries of Assam, Talcher Korea, Rewa, Hyderabad and Rajasthan and is administered by a Board of Trustees consisting of the representatives of the Central Government, State Governments, colliery owners and colliery workers. The membership of the provident fund is compulsory for all employees earning bonus by conforming to a prescribed minimum attendance in a quarter. Employees pay contributions at the rate of about 1/16th of their total earnings and the employers contributing a like amount. The employers also pay an additional five per cent of the employers' and employees' contributions towards the expenses of the administration of the fund. Members will receive a refund of their total accumulations with the whole or part of employers' contribution depending upon the duration of their membership, but in cases of superannuation, death or permanent incapacity, the full amount standing to the member's credit is payable.

In February, 1948, a private Member's Bill for setting up provident fund for all factory workers and certain section of transport workers earning Rs. 20 or more per month was introduced in the Constituent Assembly. The Bill was circulated for eliciting public opinion and when it was taken up for discussion in the Constituent Assembly on 16th December, 1949, on the assurance of the Labour Minister about bringing a comprehensive measure for introduction of provident fund for all categories of employees, the Bill was withdrawn.

#### EMPLOYEES' PROVIDENT FUNDS ACT, 1952

The success of the Coal Mines Provident Fund Scheme led to a demand for introduction of similar schemes for workers in other industries. The question of provident fund for industrial workers was discussed in the 12th meeting of the Standing Labour Committee held in November 1950, where there was general agreement that legislation should be undertaken for institution of provident funds in industrial undertakings. This view was endorsed by the conference of Labour Ministers held in January, 1951. In November, 1951, the President of India promulgated the Employees' Provident Funds Ordinance 1951, as Parliament was not in session. The ordinance was subsequently replaced by the Employees' Provident Funds Act, 1952. The Act was amended in 1953 to remove certain administrative difficulties.

Initially, the Act applied to establishments in the industries of Cement, Electrical, Mechanical or General Engineering Products, Cigarettes, Iron and Steel, Paper and Textile (Cotton, Silk and Jute) with at least three year standing employing 50 or more persons.

The Planning Commission, in the First Five Year Plan, recommended that the provisions of the Act should be extended in gradual stages during the period of the Plan to all industries after it had been put on a sound basis and that a programme for its gradual extension should be drawn up. The matter was discussed in the meetings of the Central Board of Trustees of the Employees' Provident Fund held in November, 1953, and in the 14th Session of the Indian Labour Conference held in May, 1955. It was proposed to extend the Act to all industries including plantations, mines and commercial establishments etc. with an employment strength of 10,000 workers or more during the period of the Second Five Year Plan. The Central Government considered the above proposals and by a Notification dated 4th July 1956 added 13 more industries with effect from 31st July 1956. The Act was amended in December, 1956, empowering Government to extend the provisions of the Act to non-factory establishments.

The basic wage ceiling of Rs. 300 per month for eligibility for membership to the fund was raised to Rs. 500 ( including dearness allowance, cash value of food concession ) from February, 1957. In 1958, the Act was amended and extended to establishments owned by Government or local authorities. The limit of 50 employees was reduced to 20 in December, 1960. The Scheme was also amended in 1960, whereby the principal employer was made responsible for complying with the provisions of the Act and the Scheme in relation to the employees employed by or through a Contractor. The limit of Rs. 500 for eligibility for membership of the fund was raised to Rs. 1,000 from 31st December 1962.

The following table gives the list of industries to which the Act is applicable :—

Name of the Industry	Date from which applicable
1. Cement .. ..	From 1st November 1952.
2. Cigarettes .. ..	From 1st November 1952.
3. Electrical, mechanical or general engineering products.	From 1st November 1952.
4. Iron and Steel .. ..	From 1st November 1952.
5. Paper .. ..	From 1st November 1952.
6. Textiles .. ..	From 1st November 1952.
7. Edible Oils and Fats .. ..	From 31st July 1956.
8. Sugar .. ..	From 31st July 1956.
9. Rubber and Rubber Products .. ..	From 31st July 1956.
10. Electricity including generation, transmission and distribution thereof.	From 31st July 1956.
11. Tea ( except in the State of Assam where the Government of Assam have instituted a separate Provident Fund Scheme for the industry including plantations ).	From 31st April 1957.
12. Printing including the process of composing types for printing, printing by letter press, lithography, photogravure or other similar process or book-binding but excluding printing presses, covered under "newspaper establishments" to which the Employees' Provident Funds Act has already been extended under section 15 of the working Journalists ( Conditions of Service ) and Miscellaneous Provisions Act, 1955.	From 31st July 1956.
13. Steno-Ware Pipes .. ..	From 31st July 1956.
14. Sanitary Wares .. ..	From 31st July 1956.
15. Electrical porcelain Insulators of high and low tension.	From 31st July 1956.
16. Refractories .. ..	From 31st July 1956.
17. Tiles .. ..	From 31st July 1956.



Name of the Industry	Date from which applicable
18. Match Factories having production of over 5 lakhs gross boxes of matches a year.	From 31st July 1956.
19. Sheet glass factories, glass shell factories; and other glass factories having an installed capacity of over 600 tons per month.	From 31st July 1956.
20. Heavy and fine Chemicals, including.	From 30th September 1956.
(i) Fertilizers .. ..	}
(ii) Turpentine .. ..	
(iii) Rosin .. ..	
(iv) Medical and Pharmaceutical .. preparations .. ..	
(v) Toilet preparations .. ..	
(vi) Soaps .. ..	
(vii) Inks .. ..	
(viii) Intermediates, dyes, colour lakes and toners.	
(ix) Fatty Acids .. ..	
(x) Oxygen, acetylene and carbon dioxide gases industry. ( The Act was actually enforced in this industry with effect from 31st July 1957 ).	
21. Indigo .. ..	From 30th September 1956.
22. Lac including shellac .. ..	From 30th September 1956.
23. Non-edible vegetable and animal oils and fats.	From 30th September 1956.
24. Newspaper establishments .. ..	From 31st December 1956.
25. Mineral Oil refining industry .. ..	From 31st January 1957.
26. Tea Plantations (other than the tea plantations in the State of Assam ).	From 30th April 1957.
27. Coffee Plantations .. ..	From 30th April 1957.
28. Rubber Plantations .. ..	From 30th April 1957.
29. Cardamon Plantations .. ..	From 30th April 1957.
30. Pepper Plantations .. ..	From 30th April 1957.
31. Iron ore Mines .. ..	From 30th November 1957.
32. Lime-Stone Mines .. ..	From 30th November 1957.
33. Manganese Mines .. ..	From 30th November 1957.
34. Gold Mines .. ..	From 30th November 1957.
35. Industrial and Power Alcohol Industry.	From 30th November 1957.
36. Asbestos Cement Sheets Industry.	From 30th November 1957.
37. Coffee curing establishments	From 30th November 1957.
38. Biscuit making industry including composite units making biscuits and products such as bread, confectionery and milk and milk powder.	From 30th April 1958.
39. Road Motor Transport Establishment.	From 30th April 1959.
40. Mica Mine .. ..	From 31st May 1960.
41. Mica Industry .. ..	From 31st May 1960.
42. Plywood Industry .. ..	From 30th June 1960.

Name of the Industry	Date from which applicable
43. Automobile repairing and servicing Industry.	From 30th June 1960.
44. Sugar Cane farm owned by Sugar Factory.	From 31st December 1961.
45. Rice Milling .. .. .	From 31st December 1960.
46. Flour Milling .. .. .	From 31st December 1960.
47. Dal Milling .. .. .	From 31st December 1960.
48. Starch .. .. .	From 31st May 1961.
49. Hotels .. .. .	From 30th June 1961.
50. Restaurants .. .. .	From 30th June 1961.
51. Petroleum or natural gas exploration, prospecting, drilling or production.	From 30th June 1961.
52. Petroleum or natural gas refining.	From 30th June 1961.
53. Storage or transport or distribution of petroleum or natural gas or products of either petroleum or natural gas.	From 30th June 1961.
54. Cinemas including preview theatres.	From 31st July 1961.
55. Film Studios .. .. .	From 31st July 1961.
56. Film Production Concerns ..	From 31st July 1961.
57. Distribution concerns dealing with exposed films.	From 31st July 1961.
58. Film Processing laboratories ..	From 31st July 1961.
59. Leather and leather products ..	From 31st August 1961.
60. Steno-warejars .. .. .	From 30th November 1961.
61. Crockery .. .. .	From 30th November 1961.
62. Every cane farm owned by the owner or occupier of a sugar factory or cultivate by such owner or occupier or any person on his behalf (27). (Voluntary coverage ) (52).	From 31st December 1961.
Industries covered subsequent to 31st January 1962.	
63. Every trading and commercial establishment engaged in the purchase sale or storage of any goods, including establishments of exporters importers, advertisers, commission agents and brokers, and commodity and stock exchanges, but not including banks or ware houses established under any Central or State Act.	From 30th April 1962.
64. Fruits and vegetable preservation.	From 30th June 1962.
65. Cashewnut .. .. .	From 30th September 1962.
66. Establishment engaged in the processing or treatment of wood including manufacture of hard-board or chip board, jute or textile wooden accessories, wooden furniture, wooden sports goods, cane or bamboo products, cork products and wooden battery separators.	From 31st October 1962.

Name of the Industry	Date from which applicable
67. Saw Mills .. ..	From 31st October 1962.
68. Wood Seasoning kilns .. ..	From 31st October 1962.
69. Wood preservation plants .. ..	From 31st October 1962.
70. Wood workshops .. ..	From 31st October 1962.
71. Bauxite Mine .. ..	From 31st December 1962.
72. Confectionery .. ..	From 31st March 1963.
73. Laundry and laundry services .. ..	From 30th April 1963.
74. Buttons .. ..	{ From 30th April 1963.
75. Brushes .. ..	
76. Plastic and Plastic Products .. ..	
77. Stationery Products .. ..	
78. Theatres where dramatic performances or other forms of entertainment are held and where payment is required to be made for admission as audience or spectators.	From 31st May 1963.
79. Societies, Clubs or associations which provide boarding or lodging or both or facility for amusement or any other service to any of their members or to any of their guests on payment.	From 31st May 1963.
80. Companies, Societies, associations, clubs or troupes which give any exhibition of acrobatic or other performances or both, in any arena circular or otherwise or perform or permit any other form of entertainment in any place, other than a theatre, and require payment for admission into such exhibition or entertainment as spectators or audience.	From 31st May 1963.

The Act applies to all factories and other establishments falling under any notified industry employing 20 to 49 persons on completion of 5 years of existence and to those employing 50 or more persons on completion of 3 years of existence. It does not, however, apply to establishments registered under the Co-operative Societies Act, 1912 ( or under any other law relating to co-operative societies ), if the establishment employs less than 50 persons and works without the aid of power. The Act also does not apply to hand loom factories organised as industrial co-operatives, as a class, upto the end of 1964. Also, the Scheme does not apply to tea plantations and tea factories, in the State of Assam, where the State Government have a separate Scheme for these establishments.

Different departments and branches of an establishment covered under the Act are treated as part of the establishment and the staff strength of the branches is duly taken into account for coverage purposes.

An employee in a covered establishment, other than an excluded employee is eligible for membership of the fund provided his basic wages, dearness allowance including cash value of food concession ( if any ) and retaining allowance ( if any ) do not together exceed Rs. 500 per month ( this limit has been increased to Rs. 1,000 from 31st December 1962 ). An individual whose emoluments exceed Rs. 500 per month subsequent to his becoming a member

of the Fund continues as a member contributing on Rs. 500 per month ; he can also contribute on the excess amount if he so desires and his employer agrees. The qualifying period for membership of the Fund is one year's continuous service or 240 days' actual work during a period of 12 months or less. In the case of seasonal establishments, an employee should have worked for two-thirds of the period during which the establishment remains in operation.

Rate of Contribution to the Fund was  $6\frac{1}{4}$  per cent. The Second Five-Year Plan envisaged studies into the question of enhancement of the rate of contribution from  $6\frac{1}{4}$  per cent. to  $8\frac{1}{2}$  per cent. The matter was discussed at the conference of the Labour Ministers at the 15th Session held in May 1958, and it was decided to increase the rate of contribution accordingly. However, in view of the varying capacity of the different industries, it was deemed desirable to first undertake studies to ascertain as to which industries were capable of bearing the additional liabilities. A specially constituted Technical Committee under the Chairmanship of Shri M. R. Meher, President, Industrial Court, Bombay examined the proposal to increase the rate of contribution in four major industries viz. (i) Cigarettes, (ii) Electrical, mechanical or general engineering products, (iii) Iron and Steel, and (iv) Paper.

Government have accepted the Committee's recommendation to raise the rate of Contribution from 6.25 per cent. to 8 per cent. in the above industries except in establishments manufacturing hand-made paper and those with employment strength of less than 50. The Employees Provident Fund Act was amended accordingly in December, 1962.

It may be mentioned that the Government of India had appointed a Study Group on Social Security to study the proposal for conversion of the provident fund into an old age and of survivorship Pension Scheme etc. The study Group had recommended the integration of existing social security scheme and the conversion of the various Provident Fund Schemes into a statutory scheme for old age, Invalidity and Survivorship, Pension-cum-Gratuity. The matter is still under the consideration of the Government.

#### *Capacity to pay :*

Except in industries in which it is compulsory to introduce this provident fund scheme under the Provident Fund Act, 1952, it would be introduced in those industries which have capacity to pay. If a company has not been able to pay dividends on its ordinary shares in any one of the years since the concern was acquired by it, nor has it been able to pay dividends on preference shares in all the years, nor has it been able to provide for the prescribed depreciation in all the years, its financial position does not permit that any fresh burden should be cast upon it by the introduction of the Provident Fund Scheme especially when the Tribunal finds that it is making contributions under the employees' State Insurance.\*

Where the position of a Company, contributing  $6\frac{1}{4}$  per cent. to the provident fund, is not similar to that of another company in the neighbourhood, having more extensive line of business, which contributes a higher percentage ( i. e.  $8\frac{1}{2}$  per cent. ) to the provident fund, a claim of the workmen for raising the percentage from  $6\frac{1}{4}$  per cent. to  $8\frac{1}{2}$  per cent. to the provident fund by the former company is unsustainable because there would be no comparison between that company in the neighbourhood, and this company in its present condition. X

\* Eastern Chemical Co. (1) Ltd., Bombay, Vs. their Workmen (No. 2) (1954 6F. J. R. 379).

X Bihar Fire Bricks & Potteries Ltd., Vs. their Workmen (1953 5 F. J. R. 169)

*Employees discharged within 5 years of commencement of funds—Right of employers' contribution :*

Where the Provident Fund provides that the company's contributions and interest thereon, if earned shall not be payable for service of less than 5 years, an employee who had been in the employment of the company for over 22 years and who had resigned will be entitled to the company's contribution even though a period of 5 years was not completed after joining the fund because what is required is more than 5 years' service. +

*Enforcement of a Provident Fund Scheme on the lines as enforced in a neighbouring company :*

It has been held by the Labour Appellate Tribunal of India in Bihar Firebricks and Potteries Ltd. *versus* their Workmen ‡ that the claim by workmen that their company's contribution to provident fund should be on the same lines as enforced at a neighbouring company cannot be allowed *ipso facto*. In adjudging such a claim it would be necessary to consider whether the position of this Company is similar to that of the neighbouring company in their paid-up capital, reserves and their capacity to pay dividend.

*Uniform Scheme in industry in a particular locality :*

In Rohtas Sugar Ltd. *versus* their workmen @ in dealing with the issue relating to Provident Fund, the Tribunal found that 18 factories had already in existence Schemes for Provident Fund but the rules varied from factory to factory. It directed the others which had no Provident Fund Scheme to introduce such Schemes on a uniform basis, within six months of the publication of the award. Both permanent and seasonal workmen were given the right to contribute. The employers' and the employees' contributions were to be equal and at the rate of 6½ per cent. of the wages of the employees and the rules governing the Fund were to be those given in Annexure D, to the award, which were adopted from Model Rules with some variations. The Tribunal made recommendations for changing the rates of the Fund in regard to the 18 factories which had in existence, provident fund schemes, so as to bring them in line with the rules set out in Appendix D, to the Award ; but the award did not stop there. It gave the workmen the right to apply to the management in writing, in case the said recommendations were not carried out by any of the 18 factories, for the establishment of a new provident fund scheme in accordance with the rules as set out in Appendix D to the award and if the number of workmen so applying was at least 50 per cent. of the total strength of workmen of the factory the management of the factory concerned could be placed under the obligation to start a new Provident Fund within four months of the said application in accordance with the rules so mentioned and thereafter an employee was to have the option to be exercised within two months of either remaining a member of the old Fund or of joining the new Fund.

The Tribunal should refrain from sanctioning a Provident Fund Scheme for an industry if there is no provident fund scheme in force in the same industry in the neighbouring areas.(†)

+ The Ahmedabad Mfg. & Calico Ptg. Co. Ltd., *vs.* T. L. A. (1953) 5 F. J. R. 90.

‡ (1954) 5 F. J. R. 169

@. (1954) 7 F. J. R. 307

† Travancore Tile Workers Union *vs.* Harissons & Crosfield & Others (1954) 8 F. J. R. 282.

### *Change in Scheme :*

If a factory has voluntarily introduced provident fund by way of any ex-gratia payment on the basis of the then basic salaries of their employees, the factory should not be penalised for introducing provident fund for the employees, as an act of grace, by making the factory go beyond their original basis of the generosity simply because the Government has combined dearness food allowance etc. with the basic pay and made it a consolidated wages. \*

### *Trustees of the Provident Funds to be made party for change in or abolition of the fund :*

The Court has no jurisdiction to give any direction in regard to Provident Fund without impleading the trustees of the Fund. † In *Bhagalpur Electric Supply Co. Ltd. versus Bhagalpur Electric Supply Workers' Union* @ their Lordships observed in paragraph 6 of the Judgment that without the trustees of the provident fund being parties, it was not possible to consider the question of the amendment of the Provident Fund Rules. It has been held by the Labour Appellate Tribunal in *Fire Salvage Association of Bombay Ltd. versus their workmen* β that the whole of the Provident Fund cannot be abolished by an award without the trustees of the Fund having been made parties.

### *Withdrawal of Provident Fund Scheme :*

Where the provident fund facility has during the fairly long span of nearly a quarter of a century been enjoyed by all the workmen who have shared the fortunes and vicissitudes of the company and rightly they come to look upon the facility as a condition of their service or employment an exceptionally strong case must be made out for withdrawal of the old existing facility and in the absence of exceptional circumstances justifying the withdrawal of the Scheme there is hardly any sound logic in the old employees being deprived of the benefit merely because they did not exercise their choice till April, 1952, and in fact there is hardly any justification in the case of new entrants also being deprived of the provident fund benefit. \*

## RECOMMENDATIONS

The Committee recommends that a Provident Fund Scheme on the lines of the Employees Provident Fund Act and Scheme should be evolved and introduced in the industries covered by the terms of reference, to which the Scheme is now not applicable.

Information regarding Provident Fund is given in Appendix X.

## GRATUITY

The most frequent disputes regarding retirement benefits are those relating to gratuity. Even though the word "Gratuity" means a gratuitous payment yet it is now well settled that a claim for a gratuity scheme can be the subject matter of an industrial dispute.

Payments of gratuities, pensions and provident fund may be regarded as deferred wages, payable upon retirement and affording a means, which the individual worker may be unable to do for himself of putting by a little to provide for the days when he will no longer be able to work ‡.

\* *Basti Sugar Mills Co. Ltd. vs. their Workmen* (1954) 6 F. J. R. 519.

† *Buckingham and Carnatic Co. Ltd. vs. their Workmen* (1951) 3 F. J. R. 265.

@ 1951 3 F. J. R. 166

(1954) 6 F. J. R. 458.

1949 1 F. J. R. 84

A moderate gratuity scheme gives employees a sense of security and strengthens their morale, cements the human bonds of employer-employee relations, tends to reduce the labour turnover and makes employees careful not to give cause for dismissal. An industry, having capacity to pay, should not grudge giving a modest gratuity to those who retire after long service, if it does something towards sweetening the lives of those whose toil and sweat have contributed to the prosperity of the industry. \*

The question whether a gratuity scheme should be allowed or not must depend upon the facts and circumstances of each case. A company may not be as prosperous to-day as it was two or three years ago. But in deciding whether a gratuity scheme should be allowed, it is necessary to take a long term view of the company's financial position, its past business and the reasonable expectations of the future. The shortage of raw materials and the consequent high prices and the difficulty of procuring stocks, are temporary difficulties which should disappear in the normal course of business. @

*Principle governing grant of gratuity :*

In Aurthur Butler Company's case (1952 II L.L.J. P. 29) the Labour Appellate Tribunal has laid down that the following factors should be taken into consideration before sanctioning a scheme of gratuity for the employees of an industrial concern :— "The financial condition of the company must be considered in its broad aspect. Its profit-earning capacity, the profits earned in the past, its reserves and the possibility of replenishing the reserves, if occasion arises, and the claims of capital to a fair share of the profits in the shape of dividend, having regard to the risk of the investment, are material factors. In short, the general financial stability of the concern must be taken into consideration before a long term Scheme, like a Scheme for Gratuity, is sanctioned".

These principles were also reiterated by the Labour Appellate Tribunal, in the case of Indian Oxygen and Acetylene Co. Ltd., (1956, I. L.L.J. P. 435). The Labour Appellate Tribunal had further held in that case that the bonus formula could not be applied for judging the broad financial stability of a concern for the purpose of gratuity. However, the capacity to pay is not a relevant consideration where a company has introduced a gratuity scheme in one of its branches or for one section of workers. Thus in Sirdar Carbonic Gas Co. Ltd. *versus* their workmen [1956 II L.L. J. 72] the Labour Appellate Tribunal held that if a company has introduced a gratuity scheme in one of its branches it is legitimate for employees of other branches to expect the same benefit and that the company cannot refuse extension of that benefit on the ground that the company has been making low or no profits and, therefore, cannot bear the extra burden. Similarly, in Jeewanlal (1929) Ltd., Bomba, *versus* their workmen [1955 (8) F. J. R. 415 at 418] it has been held that if there is a gratuity scheme for one section of the workmen in the company the same should be extended to all other workmen of the company including clerical staff.

*Double retirement benefits —when can be allowed :*

It is well settled by a number of decisions of the Labour Appellate Tribunal that workmen would be entitled to the benefit of gratuity in addition to provident fund benefit if the employer has the financial capacity. +

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\* Rashtriya Mill Mandoor Sangh, *vs.* Mill Owners' Association (1956) 11 F.J.R. at 388.  
 @ Jeewanlal (1929) Ltd., *vs.* Employees of Crown Aluminium Works (1951) 3 F.J.R. 482.  
 + The Sipur Paper Mills Ltd., *vs.* Workmen 1953-II, LLJ. 488.  
 Indian Oxygen & Acetylene Co. *vs.* Workmen 1956-I, LLJ, P. 435.  
 New Jehangir Vakil Mills, Bhavnagar *vs.* Workmen, 1953-II, LLJ P. 255.

In the case of *Larsan and Toubro Ltd., versus workmen* (1951, LL. II P. 221, ) the Labour Appellate Tribunal observed :—

“ We are quite unable to accept the proposition that only one retirement benefit is permissible. Quite apart from the fact that it has become a practice to give a provident fund plus gratuity wherever the circumstances of the concern permit, it is just and equitable that an employee when he retires or is disabled or is otherwise unable to work, should have something substantial to fall back upon. In the prevailing condition of to-day when labour gets little more than the necessities of life it is incumbent on this Tribunal to make provision for the time when an employee is compelled by circumstances to abandon his work. The provident fund provides a certain measure of relief but even so it must be remembered that in a contributory provident fund a portion of the employee's wages has been already included in the account which he or his family would ultimately receive. In any event under the present day conditions the provident fund by itself provides in most cases insufficient relief in the emergencies to which an employee may be exposed in the course of his life or which his family may have to face on his death. It is; therefore, appropriate in the nature of things to give two retirement benefits whenever the finance of the concern permits.”

In the case of *Associated Electrical Industries Ltd. versus workmen* (1956 II F. J. R. 91 ), the Labour Appellate Tribunal held that there is nothing wrong in awarding two retirement benefits and that such an Award is even desirable in the interest of social justice to enable the employees to have something to fall back upon during old age or incapacity for further work on account of any other causes to which human body is heir to and that the only limitation subject to which the award should be made is the capacity of the concern to bear the financial burden involved and that in view of the fact that retirement benefits are long range arrangements, the test of capacity should depend upon the past and present prosperity of the concern and stability so as to ensure possibilities of future prosperity too.

In the case of *Bharatkhand Textile Mfg. Co. versus Textile Labour Association* ( 1960 II L.L.J. P. 21 ) the Supreme Court held that the Employees Provident Funds Act did not exclude the jurisdiction of the Industrial Courts to frame an additional scheme of gratuity. “ The Employees' Provident Funds Act has no doubt been passed for the institution of provident funds for employees covered by it ; and the statutory scheme for provident funds is intended to afford to the employees some sort of a retirement benefit ; but it cannot be ignored that what the statute has prescribed in the scheme is the minimum to which, according to the legislature, the employees are entitled ; and so in all cases where the Industrial Courts are satisfied that a larger and higher benefit can be afforded to the employees no bar can be pleaded by virtue of the Provident Funds Act. It is true that after the Act came into force, the Industrial Courts would undoubtedly have to bear in mind the benefit of the statutory scheme to which the employees may be entitled ; and it is only after bearing that factor in mind and making due allowances for it that any additional scheme for gratuity can and must be framed by them ; but it is not open to an employer to contend that the Act excludes the jurisdiction of Industrial Courts to frame an additional scheme.

*Gratuity payable in addition to retrenchment compensation :*

This question was decided by the Supreme Court of India in the case of *Indian Hume Pipe Co. Ltd., versus Workmen*, [ 1959 II L. L. J. P. 830 ] and



was replied in the affirmative. Distinguishing between the terms "gratuity" and "retrenchment compensation" the Supreme Court observed :—

" In dealing with this question, it is important to bear in mind the true character of gratuity as distinguished from retrenchment compensation. Gratuity is a kind of retirement benefit like the provident fund or pension. At one time it was treated as payment gratuitously made by the employer to his employee at his pleasure, but as a result of a long series of decisions of Industrial Tribunals gratuity has now come to be regarded as a legitimate claim which workmen can make and which in a proper case, can give rise to an Industrial dispute. Gratuity paid to workmen is intended to help them after retirement, whether the retirement is the result of the rules of superannuation or physical disability. The general principle underlying such gratuity scheme is that by their length of service workmen are entitled to claim a certain amount as retiral benefit."

" On the other hand, retrenchment compensation is not a retirement benefit at all. As the expression "retrenchment compensation" indicates, it is compensation paid to a workman on his retrenchment and it is intended to give him some relief and to soften the rigour of hardship which retrenchment inevitably causes. The retrenched workman is suddenly and without his fault, thrown on the street and has to face the grim problem of unemployment. At the commencement of his employment a workman naturally expects and looks forward to security of service spread over a long period ; but retrenchment destroys his hopes and expectations. The objects of retrenchment compensation is to give partial protection to the retrenched employee and his family to enable them to tide over the hard period of unemployment. Thus the concept on which grant of retrenchment compensation is based is essentially different from the concept on which gratuity is founded."

" It is true that a retrenched workman would by virtue of his retrenchment, be entitled to claim retrenchment compensation in addition to gratuity, because industrial adjudication has generally taken the view that the payment of retrenchment compensation cannot affect the workman's claim for gratuity. In fact the whole object of granting retrenchment compensation is to enable the workman to keep his gratuity safe and unused so that it may be available to him after his retirement. Thus the object of granting retrenchment compensation to the employees is very different from the object which gratuity is intended to serve. That is why on principle the two schemes are not at all irreconcilable nor even inconsistent ; they really compliment each other ; and so on consideration of social justice there is no reason why both the claims should not be treated as legitimate. The fact that they appear to constitute a double benefit does not affect their validity. That is the view which Industrial Tribunals have generally taken in a large number of reported decisions on this point."

" However, the Supreme Court has pointed out that it is likely that gratuity schemes framed by consent or by awards may provide for payment of compensation to retrenched workmen either in lieu of or in addition to gratuity ; in such cases the question as to whether the retrenched workman can claim the benefit of such a scheme in addition to the retrenchment compensation under section 25F would depend on the construction of the material terms of the relevant scheme considered in the light of the provisions of section 25F of the Act."

*Gratuity not payable on ad hoc basis :*

In the case of Swadeshi Cotton Mills Ltd., ( 1953 I-L.L.J. P. 277 ) the Labour Appellate Tribunal had held that as the matter of gratuity is a very important one, no gratuity should be allowed to any workman on an *ad hoc* basis and that the proper thing in the matter of gratuity should be, if the workmen so desire, to have a gratuity scheme settled for all workmen with necessary details so that such a scheme may be regarded as one of the conditions of service of every workman before any sum is awarded by a Tribunal to a particular workman. The Award of gratuity on an *ad hoc* basis should not be made except by consent.

*Gratuity unit-wise or industry-wise :*

In the case of Bharatkhand Textile Mfg. Co., the Supreme Court while justifying the industry-cum-region approach made by the Industrial Court in settling the gratuity scheme held that "equality of competitive conditions is in a sense necessary from the point of view of the employers themselves. .... Similarly equality of benefits such as gratuity is likely to secure contentment and satisfaction of the employees and lead to industrial peace and harmony. If similar gratuity schemes are framed for all the units of the industry migration of employees from one unit to another is inevitably checked, and industrial disputes arising from unequal treatment in that behalf are minimised. Thus, from the point of view of both employers and employees industry-wise approach is on the whole desirable. It is well known that the committee on fair wages which had examined this problem in all its aspects had come to the definite conclusion that "in determining the capacity of an industry to pay it would be wrong to take the capacity of a particular unit or the capacity of all the industries in the country. The relevant criterion should be the capacity of a particular industry in a specified region." and it recommended that as far as possible the same wages should be prescribed for all units of that industry in that region. This approach has been approved by this Court in case of Express Newspapers ( Private ) Ltd., and another (1959 S. C. R. 12). What is true about the wages is equally true about the Gratuity Scheme. In the present economic development of our country we think industrial adjudication would hesitate to adopt an all India basis for the decision of an industrial dispute like that of gratuity ; and so, on principle, it would be difficult to take exception to the approach adopted by the Industrial Court in dealing with the present dispute."

*Gratuity when payable :*

Gratuity is usually payable on the happening of the following events :—

- (a) On the death of the employee while in the service ;
- (b) When the employee is physically or mentally incapacitated ;
- (c) On the employee voluntarily retiring or resigning after prescribed period of continuous service ;
- (d) On termination of service by the employer ;

( See : Standard Batteries Employees' Union, *versus* Standard Batteries Ltd., 1953 (I) L.L.J. 355 and Indian Oxygen and Acetylene Co. Ltd., Employees' Union *versus* Indian Oxygen & Acetylene Co. Ltd., 1956 (I) L.L.J. 435 )

- (e) Gratuity is also paid on superannuation where applicable.

*Who is not entitled to gratuity :*

It has been held in some cases by the Labour Appellate Tribunal that an employee is not entitled to gratuity, if he is dismissed for misconduct.

[ See : Tata Oil Mills Co. Ltd., *versus* their workmen, 1952 (I) L.L. J. 35 ; Standard Batteries Employees' Union, 1953 (I) L. L. J. 355 and Madras Press Labour Union *versus* Artisan Press Ltd., Madras 1953 II L. L. J. 504 ].

But in later cases it has been held by the Labour Appellate Tribunal that only dismissal for misconduct involving financial loss to the company would disentitle the employee to gratuity. [ See Co-operative Assurance Co., Employees' Union *versus* Co-operative Assurance Co. Ltd., 1954 (I) L.L. J. 28, at 36 and Indian Oxygen and Acetylene Co. Ltd., Employees' Union *versus* Indian Oxygen and Acetylene Co. Ltd., 1956 (I) L.L. J. 435 ].

After the abolition of the Labour Appellate Tribunal, Tribunals in Bombay had expressed two different views in the matter *viz* :—

(1) No gratuity shall be paid to a workman dismissed for misconduct causing financial loss to the company to the extent of the loss caused.

(2) Gratuity will not be payable to any employee who is dismissed for gross misconduct.

However, in the case of Garment Cleaning Works Ltd., and its workmen ( 1961 (I) L L J. P. 513 ) the Supreme Court has observed as follows : —

“ On principle, if gratuity is earned by an employee for long and meritorious service, it is difficult to understand why the benefit thus earned by long and meritorious service should not be available to the employee even though at the end of such service he may have been found guilty of misconduct which entails his dismissal. Gratuity is not paid to the employee gratuitously or merely as a matter of boon. It is paid to him for the service rendered by him to the employer and when it is once earned, it is difficult to understand why it should necessarily be denied to him whatever may be the nature of misconduct for his dismissal. Then, as to the definition of retrenchment in the Industrial Disputes Act, we are not satisfied that gratuity and retrenchment compensation stand exactly on the same footing in regard to the effect of misconduct on the rights of workmen. The rule of the provident fund scheme shows not that the whole provident fund is denied to the employee even if he is dismissed but it merely authorises certain deductions to be made and then too the deductions thus made do not revert to the employer either. Therefore, we do not think that it would be possible to accede to the general argument that in all cases where the service of an employee is terminated for misconduct gratuity should not be paid to him.”

#### *Quantum of Gratuity :*

Generally, tribunals have awarded schemes between 15 days' wages and one month's wages for each year of service. In some cases Schemes of Gratuity provide for different quantum when the contract of employment is ended by death, resignation, termination or retirement.

#### *Basis for Calculation of Gratuity :*

Two different methods have been suggested by the Tribunals for the purposes of fixing salary in the calculation of a gratuity payment. (1) On the basis of the last salary drawn by the employees immediately before their retirement, disability etc. (2) On the basis of the average salary payable to a workman during 12 months next preceding death, disability etc.

*Break in service and continuous service :*

All breaks of service not exceeding six months should be condoned for the purposes of reckoning continuity of service. However, the periods of breaks should be deducted from the total number of years of service for the calculation of gratuity payable. (Rashtriya Mill Mazdoor Sangh, *versus* Mill Owners' Association, (1956 11, F. J. R. at Page 392 ).

The question of continuous service has been elucidated by the Bombay High Court in the case of Jayram Sonu, *versus* New India Rayon Mills Ltd., and others ( 1958-14, FJR, P. 371) in which it observed as follows :—

“ With respect, it is difficult to accept as sound this reasoning. Taking part in an illegal strike amounts to misconduct on the part of an employee and for misconduct an employee invites an order of dismissal; but unless an employee is dismissed from service, it is difficult to see how there can be no continuity of service so far as an employee is concerned. The learned Judge says that the applicant must be deemed to be re-employed. This would imply that there was an order of dismissal made by the respondent company and the petitioner was re-employed upon a fresh employment after the dismissal. In this case, there is no suggestion that the petitioner was at any time dismissed from service. Actually the petitioner was retrenched on 15th October 1954; and in our view, the learned Judge was not right in concluding that the continuity of service of the petitioner was broken by reason of his having taken part in an illegal strike ”.

The question again came up for interpretation in the case of M/s Jeewanlal Ltd., Bombay, ( B. G. G., Part I-L, dated 5th November 1959, P. 4845 ). The learned Industrial Tribunal observed as follows :—

“ The citation makes it clear that interruption in service contemplated in the definition under consideration must be by way of termination of the contract of employment by either parties or by the operation of law. In the case cited even though there was interruption of service by an illegal strike it was not considered to be one which would amount to a break or interruption of the continuous service of the workman, the employer not having terminated his service. The same would be the case where a person is absent without leave. These observations are very helpful in interpreting the words in question. It could hardly have been intended by me when making the said award or by any other Tribunal in making similar awards because these are very common expressions used in awards, that even one day's unauthorised absence in the course of 15 or 20 years service if there was such unauthorised absence or resort to a strike which is illegal could constitute a break in the continuous service of the employee when the employer has at the time not chosen to do so. That would be the effect of my accepting the interpretation put by the Company. The words “ continuous service ” as used by me mean service not broken or interrupted by termination of the contract of employment by either the employer or employee or by operation of law. There may be an unauthorised absence but if the contract of employment is not put an end to or terminated or an indication given that the person concerned was re-employed the continuity of service would not be broken and it cannot be considered that service was interrupted. ” The matter went in appeal to the Supreme Court ( 1961 I-LLJ, P. 517 ) which held that the view taken by the tribunal was substantially right. The Court, however, pointed out that in addition to the cases where according to the tribunal continuity of service would come to an end there would be the class of cases where long unauthorised absence may reasonably give rise to an inference that such service is intended to be abandoned by the employee. It had also held that the definition of

the expression "continuous service" in Industrial Disputes Act and the Factories Act and the decisions interpreting the said definition could not be of any material assistance in interpreting the expression "continuous service" used in an award made in an industrial dispute unless the context in which the expression is used in such award justifies it. Clarifying the term "continuous service" used in the Scheme of Gratuity framed by the tribunal, the Supreme Court observed: "Continuous Service in the context of the Scheme of Gratuity framed by the tribunal in the earlier reference postulates the continuance of the relationship of master and servant between the employer and his employees. If the servant resigns his employment, service automatically comes to an end. If the employer terminates the service of his employee, that again brings the continuity of service to an end. If the service of an employee is brought to an end by the operation of any law, that again is another instance where the continuance is disrupted but it is difficult to hold that merely because an employee is absent without obtaining leave that itself would bring to an end the continuity of his service. Similarly, participation in an illegal strike which may incur the punishment of dismissal may not by itself bring to an end the relationship of master and servant. It may be a good cause for the termination of service provided of course the relevant provisions in the standing orders in that behalf are complied with; but mere participation in an illegal strike cannot be said to cause breach in continuity for the purposes of gratuity. On the other hand, if an employee continues to be absent from duty without obtaining leave and in an unauthorised manner for such a long period of time that an inference may reasonably be drawn from such absence that by this absence he has abandoned service, then such long unauthorised absence may legitimately be held to cause a break in the continuity of service. It would thus always be a question of fact to be decided on the circumstances of each case whether or not a particular employee can claim continuity of service for the requisite period or not".

*When A Scheme can be altered :*

It has been held in *French Motor Co. Ltd., versus their workmen* [ 1952 (I) LLJ-31 ] that once a gratuity scheme is established for the employees of a particular industry such a scheme should not be altered frequently and sufficient time should elapse and conditions should change to warrant an alteration.

Even while revising a gratuity scheme, the financial position of the concern will have to be considered. In the case of *Jardine Handerson Ltd., versus workmen* ( 1961 I, LLJ-641 ), the Supreme Court has held that in revising the scheme of gratuity also the same principle, namely, the capacity of employer to bear the financial burden must always be kept in mind. Salaries or wages are the first charge on an employer and if a tribunal finds that the financial position is such that salaries or wages may have to be reduced, there is no justification for putting further substantial burden on him in other directions."

## PENSION

Although a demand for pension scheme as a retirement benefit would be an industrial dispute, there appears to be no reported decision where a pension scheme has been introduced on a demand made by the workmen. On the question of pension the Standing Labour Committee at its 10th Session came to the following conclusion :— "These benefits are provided

in other countries in the form of old age and survivors' pensions either by means of social insurance or social assistance schemes. In either case they involve substantial subsidies from public funds. Central and State Governments in India are, at the moment unable to provide these subventions. The introduction of a pension scheme will also have to be preceded by a detailed investigation into the average periods of employment and rates of mortality, which necessarily will take time to complete. Moreover, a pension scheme is not likely to be of as much benefit as a provident fund scheme to a population of industrial workers with a large turnover such as is the case in India". The International Labour Organisation in their Report to the Preparatory Asiatic Region Conference have stated as follows :—

"Compulsory saving is even preferable to compulsory pension insurance so long as there is large turnover among industrial workers and the interchange of workers between industry and agriculture remains frequent. The provident fund meanwhile encourages the formation of a stable labour force."

It may be mentioned that in pursuance of one of the recommendations on Labour Policy in the Second Five Year Plan to examine the possibility of combining the different social security provisions at present in force into an overall social security scheme, a Study Group on Social Security was set up in August 1957, by the Government of India. The Group submitted its report in December 1958. The recommendations of this Group are as follows :—

"1. One single agency should be set up which should as a first step assume administrative responsibility for the Employees' State Insurance Act, Employees' Provident Funds Act, Coal Mines Provident Fund and Bonus Schemes Act and Assam Tea Plantations Provident Fund Scheme Act. In case of workers covered by both the Employees' State Insurance Act and one of the Provident Fund Acts, employers will pay in one single payment, the contributions due under both. Inspectorate and Supervisory Staff will be unified. These and other consequential measures will aim at simplification and added convenience to both parties employers and workers. *नियमित रूप से*

2. (a) The quantum of cash benefits at present granted under the Employees' State Insurance Act should be augmented as follows :—

(i) Sickness benefits should be payable upto a maximum period of 13 weeks in any three benefit periods of 26 or 27 weeks each.

(ii) Extended sickness benefit; at full normal benefit rate may be granted in case of tuberculosis or other prescribed long term diseases for a further period of 39 weeks but to only such persons as have completed at least two years of qualifying service.

(iii) The maternity benefit rate should be raised so as to be equal to the full average wage of the insured woman and subject to a minimum of Re. 1 per day.

(b) The standard of medical care and treatment should be greatly improved and hospital care should be extended to the families of insured persons. For this purpose, the levy on the employers should be increased to the maximum that the law already provides for.

(3) The enactments relating to Provident Funds have proved a real boon to workers covered thereby, in the form of provision for old age. But payment in lump sum has obvious disadvantages compared with a regular pension scheme. The time is ripe for converting the Provident Funds into a Statutory Pension Scheme. A Scheme of Old Age, Invalidity and Survivorship Pension-cum-Gratuity is recommended for adoption. This will involve payment of a small gratuity sufficient to meet immediate needs and using the rest of the resources towards giving the maximum pensionary benefits. Though the Assam Tea Plantations Provident Fund Act is an Act of the State Legislature, it is hoped that it would be merged in the new scheme. Otherwise, the workers in Plantations in Assam would be deprived of a valuable benefit.

(4) Rates of contribution for the three classes of factories may be laid down as follows :—

(a) For factories, the employees of which would be eligible only to the benefits under the Employees' State Insurance Act, there will be no change. Their rates of contribution, when raised to the maximum that the law provides for, work out to about  $4\frac{2}{3}$  per cent by employers and  $2\frac{1}{3}$  per cent by employees.

(b) For factories, the employees of which would be eligible only to benefits under the proposed Scheme of Old Age, Invalidity and Survivorship Pension-cum-Gratuity, their rates of contribution will be raised to  $8\frac{1}{3}$  per cent by the employers and  $8\frac{1}{3}$  per cent by the employees.

(c) For factories, the employees of which are covered for the full range of benefits under the Employees' State Insurance Act plus the proposed Scheme of Old Age, Invalidity and Survivorship Pension-cum-Gratuity, the rates of contribution as under (a) and (b) above would work out to be about 13 per cent by employers and  $10\frac{2}{3}$  per cent by employees.

In addition, the employers will be liable to pay an administrative charge not exceeding 0.5 per cent of the total wage bill in cases under (b) and (c) above."

The Report of the Study Group was circulated by the Government of India to the employers' and workers' organisations, State Governments, etc. The principle of integration has been generally welcomed. The report of the Study Group was also considered at a meeting of the Employees' State Insurance Corporation held in August 1960, and the members of the Corporation were in general agreement with the views of the Group. In its 90th Report on the Ministry of Labour and Employment, the Estimates Committee of the Parliament had also stated that integration of Social Security Schemes as recommended by the Study Group will lead to two-fold advantages laying the foundation of a comprehensive Social Security Scheme and reducing the over head costs of the Individual Schemes and had suggested its inclusion in the Third Plan. The Third Five Year Plan (Para 25 of the Chapter on Labour Policy) has envisaged urgent consideration of the various aspects of the question of integration, so that the entire Scheme takes shape as early as possible. The Report of the Study Group on Social Security was considered at the 19th Session of the Indian Labour Conference, held in October 1961. The consensus of opinion was that an integrated scheme might not be started till increased resources were available and that to achieve integration increase in the rates of contribution under the Provident Funds Scheme and under



the Employees' State Insurance Scheme upto the statutory limit would be necessary. Following this conclusion arrived at at the Indian Labour Conference the rate of employers' special contribution in the areas where the Employees' State Insurance Scheme has been implemented had been raised from  $1\frac{1}{4}$  per cent. to  $2\frac{1}{2}$  per cent. with effect from 1st April 1962. Similarly, as mentioned, earlier, the rate of contribution to provident fund has been raised from 6.25 per cent. to 8 per cent. in respect of 4 major industries on the advice of the Technical Committee.

### RECOMMENDATIONS

(1) Provident fund if at all introduced is introduced at a very late stage and it, therefore, does not provide adequate protection to the workmen. The Committee recommends that a Compulsory Scheme of Gratuity should be introduced in all industries.

(2) Rate of gratuity should be higher in cases of death and physical and mental incapacity for further service than under the remaining cases.

(3) The definition of "basic wages" for the purpose of gratuity should be as follows :—

"Basic Wages" means the average of basic wages payable to a workman.—

(i) In the case of monthly paid workmen, in the three complete calendar months,

(ii) In the case of weekly paid workmen, in the four complete weeks,

(iii) In the case of daily paid workmen, in the twelve full working days, preceding the date on which the average pay becomes payable if the workman had worked for three complete calendar months or four complete weeks or twelve full working days, as the case may be and where such calculation cannot be made, the average pay shall be calculated as the average of the basic wages payable to a workman during the period he actually worked.

(4) The meaning of "continuous services" should be the same as interpreted by the Supreme Court in Jeevanlal's case (1961-I-LLJ. 517).

Information regarding gratuity is given in Appendix XI.

We recommend a model Gratuity Scheme as under :—

### GRATUITY SCHEME

- |   |  |
|---|--|
| <p>(1) On the death of an employee while in the service of the company or on his becoming physically or mentally incapacitated for further service.</p> | <p>One month's basic wages for each completed year of service for the period before the introduction of Provident Fund Scheme in the concern and half month's basic wages for each completed year of service, thereafter, subject to a maximum of 15 months' basic wages to be paid to him or his heirs or his executors or nominees as the case may be.</p> |
|---|--|



- (2) On voluntary retirement or resignation of an employee after 15 years' continuous service in the company. Same as (1) above.
- (3) On termination of services by company.—
- (a) After 5 years' continuous service but less than 10 years' service in the concern. (a) Half month's basic wages for each completed year of service.
- (b) After 10 years' but less than 15 years' service in the concern. (b)  $\frac{3}{4}$ th of a month's basic wages for each completed year of service before the introduction of the Provident Fund Scheme in the concern and half a month's basic wages for each completed year of service, thereafter.
- (c) After 15 years' continuous service in the concern. (c) Same as (1) above.



## CHAPTER VI

### CONTRACT LABOUR

The question of abolition of contract system of employment of labour has given rise to various disputes. These disputes arise in view of the fact that the contract labour are placed in a more disadvantageous position *vis-a-vis* the labour directly employed. The question has been considered by various committees. All of them have pointed out the evils of the system of employment of contract labour and have recommended its abolition. The Royal Commission on Labour observed as follows :—

“We have found it to be generally true that workmen employed by salaried managers, who are personally responsible for their workers, receive more consideration than those employed by contractors. . . . . We believe that, whatever the merits of the system in primitive times, it is now desirable if the management is to discharge completely the complex responsibilities laid upon it by the law and by equity, that the manager should have full control over the selection, hours of work and the payment of the workers.” (Report P. 119).

The Bihar Labour Enquiry Committee also condemned the system of recruiting labour through contractors who, according to the Committee ‘ordinarily lack the sense of moral obligation towards labour, which the employers or their managers are expected to have and therefore do not often hesitate to exploit the helpless position of labour in their charge.’ (Report P. 36). The Bombay Textile Labour Enquiry Committee expressed similar views and added “if the management of the mills do not assume responsibility for such labour, there is every likelihood of its being sweated and exploited by the contractor.” The evils of the system of employing contract labour were also considered by the Labour Investigation Committee appointed by the Government of India which submitted its report in 1946. This Committee did not advocate the total abolition of the system of employing contract labour, but drew a distinction between essential and non-essential processes in an industry and recommended that employers should not be allowed to avoid their obligations to workers by delegating essential processes and where its existence is inevitable, contract labour should be regulated.

It would be pertinent here to bring out the distinction between a contractor and workmen. In Stroud's Judicial Dictionary (3rd Edn. Vol. I Page-616), the distinction between a contractor and a workman is brought out in bold relief in the following manner :—

“Of course, every person who makes an agreement with another for the doing of work is a contractor in a general sense; but as used in Workmen's Compensation Act, 1897 ( 60 and 61 Vict. C-37 ), S. 4 “ contractor ” and “ workman ” have come to have a more restricted and distinctive meaning, and “ contractor ” means one who makes an agreement to carry out certain work specified, but not on a contract of service ”.

The same idea is repeated in a different terminology thus :

“A ‘Contractor’ is a person who in the pursuit of an independent business, undertakes to do specific jobs of work for other persons, without submitting himself to their control in respect to the details of the work”. \*

In the case of Dhrangadhra Chemical Work Ltd., *vs.* State of Saurashtra (1957-I, LLJ-477) in the context of the definition of 'workman' under the Industrial Disputes Act (XIV of 1947), the Supreme Court observed:—

“The essential condition of a person being a workman within the terms of this definition is that he should be employed to do the work in that industry, that there should be, in other words, an employment of him by the employer and that there should be the relationship between the employer and him as between employer and employee or master and servant. Unless a person is thus employed, there can be no question of his being a workman within the definition of the term as contained in the Act.”

Elaborating the point further, Bhagwati J. who delivered the judgment on behalf of the Court, proceeded to state:—

“The principles according to which the relationship as between employer and employee or master and servant has got to be determined are well settled. The test which is uniformly applied in order to determine the relationship is the existence of a right of control in respect of the manner in which the work is to be done. A distinction is also drawn between a contract for services and a contract of service and that distinction is put in this way —

‘In the one case the master can order or require what is to be done while in the other case he cannot only order or require what is to be done but how itself it shall be done. (Per Hilbery, J. in *Collins vs. Hartfordshire County Council* 1947 K. B. 1958, 615)’.

After considering the case law on the subject the learned Judge restated the principle at P. 481 thus :

“The principle which emerges from these authorities is that the *prima facie* test for the determination of the relationship between master and servant is the existence of the right in the master to supervise and control the work done by the servant not only in the matter of directing what work the servant is to do but also the manner in which he shall do his work, or to borrow the words of Lord Uthwatt at P. 23 in *Mersey docks and Harbour Board vs. Conggins and Griffith (Liverpool) Ltd.*, and another (1947 I. A. C. 1, 23)” :—

“The proper test is whether or not the hirer had authority to control the manner of execution of the act in question”.

After noticing the subsequent trend of decisions wherein it is observed that the test of control is not one of universal application, the learned Judge expressed his view thus:

“The correct method of approach, therefore, would be to consider whether having regard to the nature of the work there was due control and supervision by the employer.....”

These principles were reaffirmed by the Supreme Court in the case of *Chintaman Rao and another and State of Madhya Pradesh* (1958 LLJ.II. P. 252).

The question of abolition of contract labour has come up for consideration in a number of cases before the Tribunals. In the case of *Premier Automobiles Ltd., Bombay*, (B. G. G. Part I-L, dated 25th September 1952,

P. 3113) it was held that there is no inherent right to employ contract labour. In the Indian Hume Pipe Co.'s Case (I. C. R. 1952, P.66) the Industrial Tribunal had expressed the same opinion and it was held therein that it was open for the workers who were engaged in any establishment through a contractor to demand that the contract system should be abolished if such a system was resulting in their being deprived of the benefits to which they would be entitled to if they were direct employees.

In the case of Thomas Cook and Sons (1953, I. C. R. 1384), the learned Adjudicator Shri P.D. Vyas, directed the company to treat certain mazdoors as its own employees. In that case, the learned Adjudicator observed (At page 7390) :—

“The controversy now before us is obviously of a character which the employer is in a position to remedy and the workmen who are parties to the reference are directly and substantially interested in the same. The continuance or encouragement of any such anomalous practice or engaging contract labour is bound to have its adverse reactions at any time on the other workers, in as much as the company may, as it has done in the present case, just substitute contract labour for its regular work in the name of economy in expenditure. The aforesaid letter Ex. U. 9 leaves no doubt in our mind as to how the company may at any moment cut down its permanent labour strength by employing contract labour for regular work, in any department. As already shown by me above, the system of contract labour may be permissible in exceptional cases for carrying out the work of a casual nature but it is certainly objectionable if it were to be worked by way of a substitute arrangement for the purpose of doing away with all necessity to maintain any permanent strength of workers. In this manner it can hardly be allowed to stand or be availed of and it is certainly in the interest of all the workers to oppose the same with united voice.”

In the case of the Jagdishwar Printing Press and their workmen (1956 LLJ, Vol. I, P-597) the Labour Appellate Tribunal observed :—

“It is also said that no industrial dispute can arise in respect of workmen who are not the employees of the concern but the employees of the contractors. It is, however, abundantly clear that one of the principal objectives of labour is to eliminate the system of contract labour so that labour might not be exploited by reason of such a system and there have been very many references and decisions of the Industrial Tribunals on this subject; but as far as we know this is the first occasion on which it is said that an order directing the stoppage of contract labour to be regarded as a breach of fundamental rights and a subject outside the purview of the Industrial Disputes Act. In effect, the permanent workers of the concern who have raised this industrial dispute contend that the system of working in the concern should be altered: they maintain that it is wrong that persons working in the same premises side by side with them, may be not doing the same type of work but nevertheless doing work, which is part of the business of the concern of publishing should be employed through contractors on lower wages and with no security of service. We cannot see any violation of fundamental rights in a direction as to how workmen should be engaged, how they should be paid, for that is the essence of the question and it is a subject which affects industrial relations”.

In a dispute between several Sugar Companies and their workmen the Industrial Tribunal Shri S. H. Naik summed up the various evils of the

system of employing contract labour and stated (B. G. G., Part I-L, dated 24th February 1955, Page 615), "Though the contractor gets a lump sum for the work to be done, he does not pay the workers wages in proportion to the work done by them. Owing to competition one contractor bids less for the contract than another contractor and the wages of the workers have to be reduced in consequence. There is no security of service for contract labour as with the change of contractor, old workers are replaced by the men brought by the new contractor. The contractor with a view to earn greater profit employs less number of men than are required with the result that the latter have great difficulty in getting leave. The contract system enables the principal employer to escape most of the provisions of the labour laws. The contractors' employees do not enjoy the same advantages which the employees of the principal employers enjoy in the matter of provident fund, leave, gratuity, housing, hours of work, musters, etc."

The Labour Appellate Tribunal in the Case of Kolhapur Sugar Mills Ltd., *versus* the employees (B. G. G. Part I-L, dated 13th September 1956, P. 3292), had stated with reference to the observations of the Royal Commission and other Committees :—

"The opinion expressed by these bodies are entitled to respect but as we have observed, the employers must be allowed to urge anything they wish to put forward regarding the proper interpretation of these reports, their applicability to the facts of the present case and so on, and these arguments must be considered by the Court....."

"The Industrial Court's test as to when it becomes necessary to allow employment of contract labour, based on whether the operations are essential or not, is open to obvious objection. It is a test which cannot be supported without qualification. The true test should be based on the sum total of the relevant circumstances, principal among which would be the casual or intermittent character of the work, the location of the work, the remoteness or difficulty of the terrain, the difficulty of supervision of work in distant places or the necessity of contract labour in certain operations as where distant lands have to be ploughed or trimmed or otherwise worked upon. These are merely instances and do not exhaust the subject. But each claim must be adequately considered by the Industrial Court before giving a decision. It may well be that the Industrial Court while allowing contract labour may insist upon particular safeguards or may require that the workmen involved should not receive less than a certain wage, but these are matters for the Industrial Court to adjudge".

The above views of the Labour Appellate Tribunal were agreed to by the Industrial Tribunal, Bombay, while dealing with the case of abolition of contract system in the Standard Vacuum Refining Co., of India Ltd., Bombay, (1959 I. C. R. Bom. P. 47). Similarly, in the case of Kandivali Metal works, Kandivali *versus* workmen (1959 I. C. R. Bom. P. 206), the Industrial Tribunal had observed :—

"The contract system which the labour seeks to get abolished in this reference cannot be allowed to continue if the work done through the contractors is not of an intermittent or casual nature, but is required to be done in the regular course of the Company's business and does not vary a great deal from time to time, is more or less constant and permanently required. Only where a concern finds that it cannot keep on its permanent staff the workers who are required to work only occasionally, and that the number of workers required at any time in any process

varies greatly or where the workers make or manufacture things which the company buys as finished goods or for any other similar reason, which makes the direct employment of labour inconvenient, undesirable or impossible that the employment of labour on contract basis can be justified. But if the same strength of workers is engaged in work throughout the year and such work is a part of the usual process of manufacture then the contract system cannot be allowed. The State has conferred certain privileges and benefits on industrial workers, and has set up Tribunals for enforcing of their rights by special legislation and imposed certain restrictions on the powers of the employers. The employers cannot be allowed to escape these by having resort to contract system”.

The Industrial Tribunal in the Case of **Narbada Valley Chemical Industries Ltd., Rajpipla** (B. G. G., Part I-L, dated 22nd March 1956, P. 1011) considered the question in detail and directed that contract system prevailing in the Co. so far as the cutting of khair wood into small pieces is concerned should be abolished. Similarly, in the case of **Alembic Chemical Works Ltd., Baroda** (B. G. G. Part I-L, dated 15th April, 1954, P. 830) the Tribunal had directed the company to abolish contract system in 10 departments. The tribunal had observed—“As a matter of fact contract labour is employed in permanent departments where regular work is going on and it would not be correct to resort to any contract system simply because of the alleged fluctuations in the volume of work. We do not know what the company means when it is stated on its behalf that the contractor’s men are engaged for irregular type of work but if really the work is of a casual nature arising only occasionally then even on behalf of the workmen it is conceded that contract labour may be engaged. For regular work in these departments the company is expected to determine its own needs and fix the permanent normal strength and it is only then that for any extra work of casual nature arising now and then that the company may with some justification resort to the practice of engaging contract labour. To that extent no outside agency need interfere with the internal management of a company but it should not be open in these days of advanced notions of social justice to treat lightly any such indirect exploitation by means of contract system unless there are exceptional circumstances justifying the same”.

However, in the case of **Parshuram Pottery Works Ltd., Dhrangadhra** and its workmen (B. G. G. Part I-L., dated 24th July 1958, P. 3670), the Industrial Tribunal considered it impossible to direct the Company to discontinue the practice of getting the work of loading and unloading done through a contractor as the work was of intermittent nature and the number of workmen required varied widely.

The question of abolition of contract labour was considered in detail by the Supreme Court in the case of **Standard Vacuum Refining Co. of India Ltd., versus the workmen** (1960, II. LLJ., P. 233). Dealing with the question as to whether it could form the subject matter of an industrial dispute the Supreme Court pointed out: “The definition of ‘industrial dispute’ in section 2(k) requires three things —

- (i) There should be a dispute or difference.
- (ii) The dispute or difference should be between employers and employees or between employers and workmen or between workmen and workmen.

(iii) The dispute or difference must be connected with the employment or non-employment or the terms of employment or with conditions of labour, of any person.

The first part thus refers to the factum of real and substantial dispute, the second part to the parties to the dispute and the third to the subject matter of the dispute."

The Supreme Court then went on to observe:—"There is undoubtedly a real and substantial dispute between the company and the respondents on the question of the employment of contract labour for the work of the company. The fact that the respondents who have raised this dispute are not employed on contract basis will not make the dispute any the less a real or substantial dispute between them and the company as to the manner in which the work of the company should be carried on. The dispute in this case is that the company should employ workmen directly and not through contractors, in carrying on its work and this dispute is undoubted real and substantial even though the regular workmen (*i. e.* the respondents) who have raised it are not employed on contract labour".

Applying the test to determine the scope of the words "any person" in section 2(k) of the Industrial Disputes Act, as laid down in *Dimakuchi Tea Estate versus, workmen* (1958, I. LLJ. P. 500) the Supreme Court observed :—

"It seems to us, therefore, that the respondents have a community of interest with the workmen of Ramji Gordhan and Co., who are in effect working for the same employer. They have also substantial interest in the subject matter of the dispute in the sense that the class to which they belong (namely, workmen) is substantially affected thereby. Finally, the company can give relief in the matter. We are, therefore, of the opinion that all the ingredients of Section 2(k) as interpreted in *Dimakuchi Case* (*Supra*) are present in this case and the dispute between the parties is an industrial dispute and the reference was competent." Upholding the decision of the Industrial Tribunal in this case, the Supreme Court observed :— "..... and the only question for decision is whether the work which is perennial and must go on from day to day and which is incidental and necessary for the work of the refinery and which is sufficient to employ a considerable number of whole time workmen and which is being done in most concerns though regular workmen should be allowed to be done by contractors. Considering the nature of the work and the conditions of service in the present case, we are of opinion that the tribunal's decision is right and no interference is called for, except that the date should now be changed for such a direction cannot be put into force with retrospective effect from 1st November 1958."

The Central Wage Board for the Cement Industry appointed by the Government of India on 2nd April 1958 had also gone into the question of contract labour in the Cement Industry and had made certain recommendations (*vide* paras 4.24 to 4.28)

"4.24. If labour is employed on work of a regular nature in circumstances in which workers have no security of service and a wage structure cannot be effectively applied because of the difficulty of enforcing control over a large number of contractors we think it is open to us to recommend the abolition of contract labour in certain occupations and if it is allowed to be continued for certain categories of occupations, to recommend safeguards. The Cement Companies cannot be absolved from responsibility for seeing that the workmen in the industry have reasonable conditions of service."

"4.25 The recommendations of the Tripartite Industrial Committee at Hyderabad that contract labour should be abolished in all operations connected with the manufacturing process (including quarrying operations) except loading and unloading operations has been given effect to by some cement companies. We have no hesitation in saying that where this has not been done, it should be done within six months of the coming into force of our recommendations. Here we may point out that the working of the limestone quarries calcareous Sand (marl) and shell deposits absorbs a large number of labour employed in the Cement Industry. The work in the quarries is of a permanent nature. The Hyderabad Industrial Committee, therefore, rightly made specific reference to the abolition of contract labour in quarrying operations."

"4.26 Regarding loading and unloading operations, it appears to us that the difficulties found by the Sub-Committee still continue to operate. The arrival of wagons and supply of empties are not regular and affect the loading of cement as well as the unloading of coal, gypsum, clay, bauxite, laterite, gunny bags, stores, machinery, spare parts, fire bricks, etc. It would also affect the unloading of lime-stone, wherever such lime stone is obtained from distant quarries over the State Railway system and not by the producer's own transport arrangements. We would, therefore, allow contract labour to be employed in loading and unloading operations. To avoid any misunderstanding, we would clarify that "Loading" would include "packing" as bags cannot be packed and stored but have to be loaded straight into wagons and therefore, depend on the supply of wagons. The contract system would, therefore, be permissible here, but not for branding and making valves in gunny bags, both of which can be done independently of actual loading."

"4.27. Wherever, contract labour is employed in the Cement Industry such labour should get the same wages, dearness allowance, leave, medical facilities, hours of work and overtime as departmental labour and they should also get the same rate of bonus. If any contract labour is getting any benefits at any place other than those mentioned above under an award or settlement, such benefits should continue during the pendency of the Award or Settlement. We would also recommend that employers should carry more direct responsibility to ensure that the contractors make payment to their labour on the employers' premises and in the presence of a representative deputed by the employer to check and supervise such payments."

"4.28. As stated earlier, the Industrial Committee on Cement excluded from the scope of its resolution regarding abolition of contract system, contract labour employed on construction work and on purely temporary work not connected with the manufacturing process. We agree with the view that contract labour in these two categories of work should not be affected and would also add that our recommendation, in paragraph 4.27 should not apply to such contract labour".

In the Chapter on Labour Policy and Programmes of the 2nd Five Year Plan emphasis was laid on the regulation of condition of work of contract labour. The suggestion made in the Plan was that the problem of contract labour should be investigated with a view to affording such protection as may be found feasible. The Director, Labour Bureau, Simla, had undertaken special studies in five selected employments wherein problems of contract labour were most acute.

- (1) Iron Ore mines.
- (2) Ports.



- (3) Petroleum Refineries and Oil Fields.
- (4) Railway.
- (5) Building and Construction Industry.

The question of contract labour was included in the Agenda of the 19th Session of the Indian Labour Conference held in October 1961 at Bangalore.

In a memorandum prepared by the Government of India for the 19th Session of the Indian Labour Conference it is pointed out that Contract Labour is generally employed for work of a casual or temporary nature or to cope up with a sudden increase of work for short period. In most of the industrial establishments loading and unloading of raw materials and finished materials are handled by contract labour. In building and construction work also in both the Public and Private sectors contract labour is largely employed. Certain processes in some industries which call for special skill are relegated to contractors and to independent sub contractors by the latter. Sometimes the actual work is done in the factory premises where the principal employer is in a position to supervise, but when the work is taken out and done in small establishments wages are low and conditions of work are unhygienic or unsatisfactory. The supervision and management in such cases is of a superficial type with the result that contractors are able to adopt ways and means to evade the giving of protection to labour. This leads to unfair labour practices. Recruitment of labour through contractors results in the dilution of responsibilities of the employers for the condition of employment, hours of work and wages of a considerable section of the Labour force.' The enquiries conducted by the Labour Bureau revealed that the rates and earnings of workers employed by the contractor were generally lower than those of the workers employed directly. Their working conditions were also found to be comparatively worse. Medical, educational and recreational facilities, housing and other welfare amenities provided by the contractors were almost negligible. The workers were also unorganised and had no strong union to obtain some facilities from their employers. Though the various labour laws are applicable to contract labour and labour welfare and fair wage clauses existed in many contract deeds they generally went by default. The conference also considered the views of the Industrial Committee on plantation which had discussed the question of abolition of contract system of labour in the plantation industry at its 10th Session held on 21st September 1961. The Committee had concluded—"The employers, representatives stressed that it was necessary to employ contract labour during the peak season after resident labour had been fully employed. While agreeing that it might at times be necessary to recruit additional labour from outside for a temporary period, the workers' representatives stressed that such labour should be employed and paid for directly by the employers and enjoy all the rights and amenities available to labour directly employed by the management.

The Indian Labour Conference had arrived at the following conclusion:—

"(i) The regular work of the establishment, *i. e.* work which is referred to in various enactments as work which is ordinarily part of the work of the principal employer, should as far as possible, be done by the principal employer with labour directly engaged. Contract labour will not be engaged in the type of work referred to in the Supreme Court judgment on this subject, namely, factories where —

- (a) Work is perennial and must go on from day to day.
- (b) Work which is incidental and necessary for the work of the factory.

(c) Work is sufficient to employ a considerable number of whole time workmen; and

(d) Work is being done in most concerns through regular workmen.

(ii) Where this is not possible in work of the kind referred to above, standard rates of wages should be fixed either through legislation or by the terms of contract.

(iii) For workers other than those mentioned in Item (i) above, the principal employer should remain responsible for providing essential amenities such as drinking water, lavatories, urinals, washing arrangement, rest room, canteens, creches and first aid, if need be on terms which may be regulated by the terms of contract.

(iv) For other conditions of work of contract labour, such as leave, holidays with pay, temporary housing, minimum wages, overtime, weekly rest day, payment on termination of service, etc. the contractors should be held directly responsible.

(v) Legislation may become necessary to enable the effective implementation of the measures mentioned above.

(vi) Adequate inspection machinery may be provided to ensure effective enforcement of this legislation and other labour laws applicable to contract labour."

### RECOMMENDATIONS

The Committee having considered the various decisions of the courts and the views of the I. L. C. as discussed above recommends the following Norms :—

Contract Labour will not be engaged in—

(a) Work which is perennial and must go on from day to day ;

(b) Work which is incidental and necessary for the work of the factory;

(c) Work which is sufficient to employ a considerable number of whole time workmen;

(d) Work which is being done in most concerns through regular workmen;

In respect of cases not falling under the above heads, if it is not possible to do away with the system of contract labour and contract labour has of necessity to be employed, all the terms and conditions of service of such contract labour should be on par with those prevailing in respect of regular workers.

## CHAPTER VII

### DISCHARGE, DISMISSAL AND REINSTATEMENT, ETC.

The demand for reinstatement figures prominently in many industrial disputes. "Demand as to reinstatement may arise in several ways. It may be a demand of the workmen in service that unless the dismissed workmen are reinstated, they will strike work. It may be a demand of the workmen on strike refusing to resume work unless persons victimised are put back in service or it may be a demand of the dismissed employees themselves." (Western India Automobile Association, *Versus* Industrial Tribunal, Bombay, 1949, LLJ.I.P.249- Federal Court). Formerly, the employers could get rid of workers whom they found inconvenient or who are suspected of being active trade union workers. The State seldom intervened in such matters on account of its long standing traditions of *laissez-faire* and discharges and dismissals were governed by the common law of the land, namely, the law of master and servant under which any employer could get rid of an employee after giving him the customary notice of termination of service or paying wages in lieu of such notice. If the employee had any grievance, his only remedy was to sue his employer in a Court of Law for damages.

With the development of the trade union movement and the consequent increase in the bargaining strength of the workers, security of service had become one of the principal demands of the workers. In most of the industrially advanced countries this demand is being met through collective agreements and or through legislation.

Security of employment is of fundamental importance to all workers. The demand for security of employment is practically a continuous one as the danger to security of employment could crop up at any moment. It is pertinent to note that where there is a constant danger to the security of employment in any undertaking the labour management relations are likely to be strained which might in turn affect the productivity. Security of service is, therefore, of fundamental importance.

It has been realised in most industrial countries to day that if the law of master and servant were to be given a free play the workers will have little security of service. Therefore, it is now being held that the business of Conciliators, Industrial Tribunals, Adjudicators, etc. is not merely to interpret the existing law but to make new law in order to avoid hardship and unfairness to workers. This change in the outlook of society accounts partly for the enactments in many countries which lay down as to what are "unfair labour practices" and provisions in regard to the question of reinstatement or compensation in lieu thereof.

Right of a workman removed from service to reinstatement has been the outcome of a long struggle between labour and capital and various enactments of social and labour legislation have restricted the right of an employer in any industry to "hire and fire". The matter has been discussed by the Full Bench of the Labour Appellate Tribunal in Buckingham and Carnatic Mills Ltd. *Versus*, Workmen (1951, ILLJ P. 314) - "It is not necessary for us to recount the struggle between labour and capital in the different parts of the world. It will suffice to mention that the outcome of that long and continued struggle was that industrial workers acquired two fundamental rights, namely (1) the right to organise themselves to protect their interests without molestation or victimisation by the employers and

(2) the right to resort to strike as a means for enforcing their demands. Accordingly, the common law right of an employer to discharge or dismiss an employee, or what is popularly known in some countries as "the right to hire and fire" has been subjected to statutory restrictions. In India the right to form unions of workmen, the procedure for its registration and the right to compel the employers to recognise those unions are covered by statutes. The general right to resort to strike has also been recognised by defining the circumstances under which a strike is to be regarded as illegal and in the case of public utility concerns that right has been further regulated by providing for previous notice of strike for a stated period being given and also by giving Government power to prohibit its continuance, with proper safeguards in the interest of labour by providing for an almost obligatory reference by Government for the purpose of compulsory arbitration of the dispute raised in the strike notice. There are three other accepted fundamental principles, namely, (1) that an industrial worker must be placed in such a position that the security of his service may not depend upon the caprice or arbitrary will of the employer, (2) that industrial peace should be maintained and (3) that industry should be efficiently managed. These principles underlie the Industrial Employment (Standing Orders) Act, 1946, the Industrial Disputes Act, 1947 and other local statutes of a like nature. The former Act makes it obligatory on employers of large establishments employing 100 workers or more to have Standing Orders following a model pattern certified by the appropriate authority. They are to be regarded as conditions of service by which both employers and employees are to be governed. When the services of an industrial worker are terminated, an industrial dispute can be raised under the Industrial Disputes Act for it would be a question of "employment and non-employment" and it would be competent for the industrial tribunal to determine whether the termination of service is justified."

The contractual relationship of employer and worker which as mentioned earlier, was governed by the law of master and servant has undergone great changes after the Industrial Revolution. In India, so far as is known, the right of an employer to dispense with services of his workers was interfered with for the first time in the National Service (Technical Personnel) Ordinance, 1940. Under the Ordinance any technical personnel taking up employment in the national service on the direction of the Central Government or a National Service Labour Tribunal could neither be discharged by his employer nor leave his employment without previous permission of the Central Government or the Tribunal. Provision was also made in the Ordinance for the reinstatement in their previous employment on the same terms as would have been applicable to them had they not been taken into the national service of personnel requisitioned by the Tribunal. (Indian Labour Year Book, 1946, PP. 107-108). The Essential Services (Maintenance) Ordinance, 1941, which applied to all employments under the Crown and to certain essential services or employments which were so notified also restricted the rights of employers to discharge their workers. Under the Ordinance persons abandoning employment under the Crown or in notified essential services were liable to punishment with a fine and imprisonment extending upto one year. Corresponding provisions were also made in the Ordinance for penalising employers who, without reasonable cause, discontinue the employment of any person or cause such discontinuance of employment by closing the establishment (Indian Labour Year Book, 1946, P. 109).

The Industrial Employment (Standing Orders) Act, 1946 made it obligatory on the part of industrial undertakings employing 100 workers or more to draw up a set of Standing Orders to regulate the relations between

employers and employees which had to be certified by an officer of Government appointed for the purpose after taking into consideration the objections of employers and employees, if any. These Standing Orders are to lay down the procedure for the discharge of workers and their dismissal in case of misconduct. Acts which constitute misconduct were also to be specified.

After the passing of the Industrial Disputes Act, 1947, Industrial Tribunals have freely gone into the question of discharge and dismissal of workers and in several cases ordered reinstatement. The power to order such reinstatement was derived by Industrial Tribunals from the definitions of 'industrial dispute' and 'workmen'. There has been for a long time some controversy in regard to the jurisdiction of Industrial Tribunals to order reinstatement of discharged or dismissed workers but a judgment by the Federal Court has now set a seal on the controversy by ruling that Industrial Tribunals have jurisdiction to adjudicate on disputes relating to reinstatement of workers. The Federal Court had observed :—

“ The question for determination is whether the definition of the expression 'industrial dispute' given in the Act includes within its ambit, a dispute in regard to reinstatement of dismissed employees. The definition is as pointed out by Lord Porter in *National Association of Local Government Officers, Versus Bolton Corporation* worded in very wide terms which unless they are narrowed down by the meaning given to the term 'workmen' would seem to include all employees, all employment and all workmen, whatever the nature or scope of the employment may be. Reinstatement is the employment of a person non-employed and is thus within the words of Lord Porter all employment. Thus it would include cases of re-employment of persons victimised by the employer. The words of the definition may be paraphrased thus; 'any dispute which has connection with the workmen being in or out of service or employment'. Non-employment is the negative of 'employment' and would mean that disputes of workmen out of service with their employers are within the ambit of the definition. It is the positive or the negative act of an employer that leads to employment or to non-employment. It may relate to an existing employment or to a contemplated employment or it may relate to an existing fact of non-employment. The following four illustrations elucidate this point :—

(1) An employer has already employed a person and a trade union says 'please do not employ him'. Such a dispute is a dispute as to employment or in connection with employment.

(2) An employer gives notice to a union saying that he wishes to employ two particular persons. The union says 'no'. This is a dispute as to employment. It arises out of the desire of the employer to employ certain persons.

(3) An employer may dismiss a man, or decline to employ him. This matter raises a dispute as to non-employment.

(4) An employer contemplates turning out who are already in his employment.

It is a dispute as to contemplated non-employment. 'Employment or non-employment constitutes the subject matter of one class of industrial disputes, the other two classes of disputes being those connected with the terms of employment, and the conditions of labour. The failure to employ

or the refusal to employ are actions on the part of the employer which would be covered by the term 'employment or non-employment'. Reinstatement is connected with non-employment and is, therefore, within the words of the definition. It will be a curious result if the view is taken that though a person discharged during a dispute is within the definition of the word workmen yet if he raises a dispute about dismissal and reinstatement, it would be outside the words of the definition in connection with employment or non-employment.....".

".....Demand as to reinstatement may arise in several ways. It may be demand of the workmen in service that unless the dismissed workmen are reinstated, they will strike work. It may be a demand of the workmen on strike refusing to resume work unless persons victimised are put back in service or it may be a demand of the dismissed employees themselves, so far as one can see, reinstatement may be an essential relief to be provided for in any machinery devised for settlement of industrial disputes. 'Any dispute connected with employment or non-employment' would ordinarily cover all matters that require settlement between workmen and employers, whether those matters concern the causes of their being out of service or any other question and it would also include within its scope the reliefs necessary for bringing out harmonious relations between the employers and workers".

It has also been observed by the Supreme Court that the power of a management to direct its own internal administration and discipline is not unlimited and that the Industrial Tribunals have the power to see whether the termination of services of workmen is justified, and to give appropriate relief. The Supreme Court in *Indian Iron & Steel Co. Ltd., and another versus its workmen* (1958, I, LLJ. 260) observed as follows (at page 269).

"Undoubtedly, the management of a concern has power to direct its own internal administration and discipline; but the power is not unlimited and when a dispute arises, industrial tribunals have been given the power to see whether the termination of service of a workman is justified and to give appropriate relief."

Thus, in common law courts are bound by the contractual terms between the employer and employee and unless the dismissal of the employee is 'wrongful' being not justified by the facts and circumstances of the contractual terms between them no relief could be granted and even if it is proved that the dismissal is wrongful, only damages could be awarded and not reinstatement. On the other hand, industrial tribunals or courts are not strictly bound by the contractual terms between employer and employee. Industrial tribunals have to decide a case of dismissal or discharge not by reference to only the contractual rights and obligations between the parties, but also as to what is fair and right on grounds of equity and having regard to the interests of the community as a whole.

The services of an employee may be terminated by an employer by (1) discharge on notice or in lieu thereof payment of wages for a certain period (2) dismissal.

In its strict legal sense, discharge is not a punishment as such but merely an incident of contract of service between the employer and the employee and denotes operation of such part of the contract pertaining to the termination by giving the agreed amount of notice or payment in lieu of notice. When the contract of service is thus terminated the reciprocal promises and obligations are deemed to have been discharged. Thus in common law

discharge merely implies the termination of service for reason which may not imply any act of misconduct; in the field of industrial jurisprudence discharge has come to acquire a meaning analogous to dismissal and the employee may be discharged by way of punishment. Discharge or dismissal have both the effect of termination of the service of an employee. While dismissal is a punishment inflicted on an employee for some act of misconduct, discharge may not always amount to a punishment. Again discharge is considered as a less severe punishment than that of dismissal.

*When an adjudicator can interfere :*

It is true that the power of the management to direct its internal administration which includes the enforcement of discipline cannot be denied. However, in the context of modern concept of social justice, a Tribunal has power and jurisdiction to examine cases of termination of service referred to it under certain circumstances. The Full Bench of the Labour Appellate Tribunal in the Buckingham and Carnatic Mills Case has observed ( 1951, II, LLJ. 314 ):

“The power of the management to direct its internal administration which includes the enforcement of discipline of the personnel cannot be denied, but with the emergence of modern concepts of social justice, that an employee should be protected against vindictive or capricious action on the part of the management which may affect the security of his service, this power has to be subjected to certain restrictions but at the same time undue interference by a tribunal with administration and management should not be encouraged. It would thus be open to the tribunal to examine the findings of the management on the charge of misconduct to assure itself that there is evidence to support the finding and that the decision of the management is a possible view on the evidence before it. In such a case the tribunal should refrain from substituting its own judgement for the judgement of the management, as in such matters the tribunal does not act like a court of appeal but rather as a supervisory body exercising what would ordinarily be regarded as powers of reversion for correction of basic errors, which go to the root of the matter and of perverse findings. Consequently, any vindictive or capricious action on the part of the management or the fact that the trouble had been provoked by the action of the management, may be relevant factors for consideration in determining whether interference with the decision of the management is called for. The result, therefore, is that the decision of the management in relation to the charges against the employee will not prevail if,

- (a) There is want of bonafides, or
- (b) It is a case of victimization or unfair labour practice or violation of the principles of natural justice, or
- (c) There is a basic error on facts, or
- (d) There has been a perverse finding on the materials.

The Supreme Court has approved of this decision of the Labour Appellate Tribunal in the Case of Indian Iron & Steel Co. Ltd. *versus* Workmen ( 1958. I-LLJ 260 ). The Supreme Court has observed as follows :—

“Undoubtedly, the management of a concern has power to direct its own internal administration and discipline; but the power is not unlimited and when a dispute arises, industrial tribunals have been



given the power to see whether the termination of service of a workman is justified and to give appropriate relief. In cases of dismissal on misconduct the tribunal does not, however, act as a Court of appeal and substitute its own judgement for that of the management. It will interfere.

- (i) When there is want of good faith.
- (ii) When there is victimization or unfair labour practice.
- (iii) When the management has been guilty of a basic error or violation of a principle of natural justice, and
- (iv) When on the materials, the finding is completely baseless or perverse”.

It is pertinent to point out that section 33 of the Industrial Disputes Act ensures that during the pendency of certain proceedings under the Act the employer will not disturb the status quo and he should not victimise the workman. The prohibition enacted by sub-section (1) of section 33 applies when (a) the conciliation proceedings are pending before the Conciliation Officer or a Board and (b) any proceeding, if pending before a Labour Court, Industrial Tribunal or National Tribunal. While any of the above matters are pending an employer is prohibited from doing any of the following (Save with the express permission in writing of the authority before which the proceeding is pending) :—

(a) in regard to any matter connected with the dispute he may not alter the conditions of service applicable to them immediately before the commencement of such proceedings, or

(b) discharge or punish by dismissal or otherwise for any misconduct connected with the dispute any workman concerned in such dispute.

The proviso to sub-section (2) provides that no such workman shall be discharged or dismissed unless (a) he has been paid wages for one month, and (b) an application has been made by the employer before the authority before which the proceeding is pending, for approval of the action taken by the employer.

In the case of protected workmen, the employer is prohibited from altering the conditions of service to the prejudice of such protected workmen and also from discharging or punishing them by dismissal or otherwise except with the express permission in writing of the authority before which the proceeding is pending.

The nature and scope of the enquiry by the Tribunal under section 33 of the Industrial Disputes Act and the Appellate Tribunal under the corresponding section 22 of the Industrial Disputes (Appellate Tribunal) Act, 1950, has been the subject matter of various decisions of the Supreme Court.

In *Lakshmi Devi Sugar Mills Ltd. versus Pandit Ram Sarup* (1957-I, LLJ. 17) which was a case under section 22 of the Industrial Disputes (Appellate Tribunal) Act, 1950, Bhagwati J., referred to the two earlier decisions of the Supreme Court and observed as follows :—

“The tribunal before whom an application is made under that section has not to adjudicate upon any industrial dispute arising between the employer and the workman but has only got to consider whether



the ban which is imposed on the employer in the matter of altering the conditions of employment to the prejudice of the workman or his discharge or punishment whether by dismissal or otherwise during the pendency of the proceedings therein referred to should be lifted.

A *prima-facie* case has to be made out by the employer for the lifting of such ban and the only jurisdiction which the tribunal has is either to give such permission or to refuse it provided the employer is not acting *mala fide* or is not resorting to any unfair practice or victimization”.

On the question of punishment the learned Judge said as follows :—

“The tribunal before whom such an application for permission is made under section 22 of the Act would not be entitled to sit in judgement on the action of the employer if once it came to the conclusion that a *prima facie* case has been made out for dealing out the punishment to the workman. It would not be concerned with the measure of the punishment nor with the harshness or otherwise of the action proposed to be taken by the employer except perhaps to the extent that it might bear on the question whether the action of the management was *bona fide* or was actuated by the motive of victimization”.

So if it is established that a fair enquiry into the alleged misconduct had been held by the management without violating any principles of natural justice and if as a result of such an enquiry the management had found the workman guilty of misconduct and had come to the conclusion that continuing the workman in its employ was dangerous in the interests of the company, the tribunal would not interfere with such an order.

The same principle has been stated in another case *Martin Burn Ltd., versus R.N. Banerjee*. (1958-I. LLJ. 247), and there also it was emphasized that the function of the tribunal is only to find out whether a *prima facie* case has been made out by the employer for the lifting of the ban imposed.

Discussing as to what a *prima facie* case means, it was stated :—

“A *prima facie* case does not mean a case proved to the hilt but a case which can be said to be established if the evidence which is led in support of the same were believed. While determining whether a *prima facie* case had been made out, the relevant consideration is whether on the evidence led it was possible to arrive at the conclusion in question and not whether that was the only conclusion which could be arrived at on that evidence. It may be that the tribunal considering this question may itself have arrived at a different conclusion. It has, however, not to substitute its own judgement for the judgement in question. It has only got to consider whether the view taken is a possible view on the evidence on the record (*See Buckingham and Carnatic Co. Ltd., versus the workers of the company* (1951, II LLJ. 314)”).

Similarly, in *Patna Electric Supply Co. Ltd. versus Shri Bali Rai* (1958, I LLJ. 257) their Lordships of the Supreme Court were dealing with the exercise of the powers by the tribunal under section 33 of the Act. In discussing the nature of the jurisdiction that is exercised by the tribunal it was stated :—

“The only question relevant to be considered by the industrial tribunal would be that in taking the step which it did, the appellant was not guilty of any unfair labour practice or victimization. If the industrial

tribunal did not come to a conclusion adverse to the appellant on these counts, it would have no jurisdiction to refuse the permission asked for by the appellant”.

Again in Punjab National Bank Ltd. *versus* All India National Bank Employees' Federation ( 1959-II, LLJ. 666 ) dealing with the powers of the tribunal under section 33 of the Act, the Supreme Court examined its earlier decisions on the point and considered the nature of the enquiry which the appropriate authority can hold when an application is made before it by the employee under section 33(1) and the extent of the jurisdiction which it can exercise in such an enquiry. Their lordships say :—

“ Where an application is made by the employer for the requisite permission, under section 33 the jurisdiction of the tribunal in dealing with such an application is limited. It has to consider whether a *prima facie* case has been made out by the employer for the dismissal of the employee in question. If the employer has held a proper enquiry into the alleged misconduct of the employee and if it does not appear that the proposed dismissal of the employee amounts to victimization or an unfair labour practice the tribunal has to limit its enquiry only to the question as to whether a *prima facie* case has been made out or not. In these proceedings it is not open to the tribunal to consider whether the order proposed to be passed by the employer is proper or adequate or whether it errs on the side of excessive severity ; nor can the tribunal grant permission, subject to certain conditions which it may deem to be fair. It has merely to consider the *prima facie* aspect of the matter and either grant the permission or refuse it according as it holds that a *prima facie* case is or is not made out by the employer ”.

In Bangalore Woollen Cotton and Silk Mills Company, Ltd. *versus* B. Dasappa ( 1960-II, LLJ. 39 ) after referring to an earlier case Martin Burn Ltd. *versus* R. N. Banerjee. ( 1958-I, LLJ. 247 ) and the observations made therein, the law was stated in the following words ( page 41 ).—

“ The settled position in law, therefore, is that permission should be refused if the tribunal is satisfied that the management's action is not *bonafide* or that the principles of natural justice have been violated or that the materials on the basis of which the management came to a certain conclusion could not justify any reasonable person in coming to such a conclusion. In most cases it will happen where the materials are such that no reasonable person could have come to the conclusion as regards the workmen's misconduct that the management has not acted *bona fide*. A finding that the management has acted *bona fide* will ordinarily not be reached if the materials are such that a reasonable man could not have come to the conclusion which the management has reached. In every case, therefore, it would be proper for the tribunal to address itself to the question, after ascertaining that the principles of natural justice have not been violated, whether on the materials on which the management has reached a conclusion adverse to the workmen a reasonable person could reach such a conclusion ”.

In the case of Lord Krishna Textile Mills *versus* its workmen ( 1961, I. LLJ. p. 211 ) the question again came up for consideration before the Supreme Court. Their Lordships discussing the difference in the two cases falling under section 33(1) and 33(2) observed :—

“ It is plain that whereas in cases falling under section 33(1) no action can be taken by the employer unless he has obtained previously the express permission of the appropriate authority in writing, in cases falling under

sub-section (2) the employer is required to satisfy the specified conditions, but he need not necessarily obtain the previous consent in writing before he takes any action. The requirement that he must obtain approval as distinguished from the requirement that he must obtain previous permission indicates that the ban imposed by section 33(2) is not rigid or rigorous as that imposed by section 33(1). The jurisdiction to give or withhold permission is *prima facie* wider than the jurisdiction to give or withhold approval. In dealing with cases falling under section 33(2) the industrial authority will be entitled to enquire whether the proposed action is in accordance with the standing orders, whether the employee concerned had been paid wages for one month and whether an application has been made for approval as prescribed by the said sub-section. It is obvious that in cases of alteration of conditions of service falling under section 33(2) (a) no such approval is required and the right of the employer remains unaffected by any ban. Therefore, putting it negatively the jurisdiction of the appropriate industrial authority in holding an enquiry under section 33(2) (b) cannot be wider and is, if at all, more limited, than that permitted under section 33(1) and in exercising its powers under section 33(2) the appropriate authority must bear in mind the departure deliberately made by the legislature in separating the two classes of cases falling under the two sub-sections and in providing for express permission in one case and only approval in the other. It is true that it would be competent to the authority in a proper case to refuse to give approval for section 33(5) expressly empowers the authority to pass such order in relation to the application made before it under the proviso to section 33(2) (b) as it may deem fit; it may either approve or refuse to approve; it can, however, impose no conditions and pass no conditional order".

The result of these decisions, therefore, comes to this :—

“ An employer has the common law right to deal with the misconduct of his employee and punish him within the limits of law. He is entitled to hold a domestic inquiry and to come to a conclusion regarding the misconduct of his employee and punish him therefor. But when there is an industrial dispute in which both the employer and the employee are concerned, the above right of the employer is not unlimited and is fettered to some extent.

If the misconduct is connected with the dispute, the employer can discharge or punish, by dismissal or otherwise, only with the express permission in writing of the authority concerned but if the same is unconnected with the dispute, the employer is empowered to discharge or punish by dismissal or otherwise, subject however to the approval of the authority concerned. That authority, however, does not sit in appeal over the decision if the employer arrived at the domestic inquiry, and it has only to see whether that decision was arrived at on materials on which any reasonable man could come to that conclusion and that the finding was not arrived at for victimization or after resorting to unfair labour practice, or in arriving at that finding there had been violation of the principles of natural justice.

It has no jurisdiction to determine whether the conclusion arrived at the domestic inquiry is wrong or the punishment is severe. If it comes to the conclusion that there was a *bona fide* inquiry and its result has not in any way been affected by facts mentioned above, the authority concerned is bound to give permission, and if the employee feels aggrieved, he has the liberty to raise an industrial dispute.” ( 1961, L.J. II. P. 518 ).

However, a complaint made under section 33(A) of the Act, will have to be adjudicated upon as if it were a dispute.

“ It is clear from the decision of the Supreme Court in Automobile Products of India Ltd., and others, *versus* Rukmaji Bala and others ( 1955, I. LLJ. 346 ), that once a contravention of section 33 has been proved in a complaint made under section 33A, the Adjudicator will have to go into the merits of the complaint and grant appropriate relief. The Supreme Court in a later case *viz.* Equitable Coal Ltd., *versus* Algu Singh and another ( 1958, I. LLJ. 793 ) has held that in an inquiry held under section 23 of the Industrial Disputes ( Appellate Tribunal ) Act, and therefore, equally applicable to section 33A, of the Industrial Disputes Act, the adjudicator will have two questions to consider. The first is whether the fact of contravention of section 33 is proved. The second is that if so, whether the order passed by the employer is justified on the merits. If both these questions are answered in favour of the employee the adjudicator will be entitled to give appropriate relief. If the first point is answered in favour of the employee but on the second the finding is that on merits the order of discharge is justified, then the contravention of section 33 may ordinarily be regarded as a technical breach and, unless there are compelling facts in favour of the employee, it will not justify any substantial order of compensation in favour of the employee.

*Principles of Natural Justice.* —It is an elementary principle of natural justice that no man should be condemned or punished without giving him an opportunity to explain the circumstances against him. Starting from this elementary principle, industrial tribunals have evolved a procedure for taking disciplinary action against workmen. According to the procedure a person against whom disciplinary action is proposed to be taken should in the first instance be informed in writing of the charge against him ; he should be given a proper opportunity to give his explanation to the charge levelled against him and the final order should only be made after taking into consideration all the relevant facts and circumstances. The following steps are involved in the procedure for disciplinary action :—

- (1) Issue of a letter of charge to the workman calling upon him to submit his explanation.
- (2) Consideration of the explanation.
- (3) In case the explanation is unsatisfactory the employee is given a notice of holding an enquiry.
- (4) Holding of the enquiry giving full opportunity to the employee for being represented and heard at the enquiry.
- (5) Recording of the findings by the Enquiry Officer and consideration of the same by the authority empowered to take final decision.
- (6) Informing the employee in writing of the punishment decided to be given by the management.

Thus, broadly speaking the general principles of natural justice are the following :—

Firstly, no man can be a judge in his own cause;

Secondly, no man shall be condemned unheard ; and

Thirdly, the reasons for the decision should be communicated to the concerned employee.

The Calcutta High Court in Choudhary ( A. R. S. ) *versus* Union of India and others [ 1957 (I) LLJ. 494 ] has discussed some of the principles of natural justice which have been widely accepted. Though this is a case under article 311 of the Constitution, the action taken in that case was also one of dismissal of an employee by the Government. The principles of natural justice set out in this case can be held to be applicable in industrial law as it is accepted that principles of natural justice should be followed in both types of cases. It would, therefore, be useful to quote below the observation of Mr. Justice Sinha in that case which sets out some of the rules of natural justice :

“ What is reasonable opportunity has not been defined in the constitution or in the General Clauses Act. .

The words have a legal meaning. It cannot be left to the vagaries of each individual since that would introduce a thousand shades of reasonableness, which cannot be permitted.

It must, therefore, mean ‘ reasonable ’ according to the rules of natural justice, which are rules of law - P. J. John, *versus* State of Travancore-Cochin ( 1956, I. LLJ. 235 ).

What are ‘ rules of natural justice ’ has not been completely or absolutely defined. But some principles have been laid down which are widely accepted.

Two of these principles are generally applicable to all departmental enquiries, namely :—

- (a) a person must be told clearly and specifically of the offences with which it is intended to charge him and
- (b) he must not be condemned unheard.

Board of Education *versus* Rice ( 1911 A. C. 179 ) ; Local Government Board, *versus* Alridge ( 1915 A. C. 120 ) ; Staford *versus* Minister of Health ( 1946 i. K. B. 621 ) ; Diap Pal *versus* University of Calcutta ( A. I. R. 1952 Cal. 594 ) ; K. Ramayya *versus* Madras State ( A. I. R. 1951 Mad. 1003 ) K. L. Chatterjee *versus* Union of India ( 58. C. W. N. 495 ) ; Shiv Nandan Sinha *versus* State of West Bengal ( 59 C. W. N. 794=1955-II. LLJ. 517 ).

Bearing these two principles in mind the procedure to be followed becomes easy of comprehension. A departmental enquiry consists of four main stages, *viz.* (a) Charge, (b) investigation of the Charge (c) finding (d) punishment and appeal. It will be useful to deal with each of these stages progressively. ”

“ *Charge.* — A departmental enquiry is not conducted with the rigidity of a judicial trial. Hence, the charge which is to be framed need not be framed with the precision of a charge in a criminal proceeding. But it must not be vague or so general as to make it impossible of being transversed. The test is as to whether the charge conveys to the delinquent the exact nature of the alleged offence, in a way that would enable him to meet the charge. In order to frame a charge, it is permissible to have a preliminary enquiry. This preliminary enquiry may be *ex parte* and it would be permissible to interrogate the delinquent. Such a preliminary enquiry is not only permissible but is a very desirable step, because civil servants should not be charged with offences recklessly and without reason ( Judgment in C. R.

No. 3558 of 1953, dated 11th March 1954 and *Bhagwandas versus Senior Superintendent, way and works*; A. I. R. 1956 Part. 23 ). But there is one important limitation to such an enquiry, which is so often forgotten. It is no substitute for the departmental enquiry itself. The preliminary enquiry is merely for the purposes of framing a charge and the results cannot be deemed to be conclusive. If there is a report, this cannot be evidence unless the delinquent has been furnished with it and afforded an opportunity of meeting it - *High Commissioner for India versus I. M. Lal* ( A. I. R. 1948 P. C. 121 ); *Queen versus London County Council Exp. Commercial Gas Co.* ( 11 T. WN 237 ). Evidence heard at such preliminary enquiry must be repeated at the enquiry, if it is considered necessary to rely upon it. The charge must be issued in the name of the punishing authority and must consist of the particulars of the alleged offence, with the object of affording the delinquent an opportunity of meeting it. There is no question of the alleged offences having been " tentatively proved " and the delinquent called upon to disprove them. Until the charges have been proved, the punishing authority must keep an open mind. A charge which merely calls upon the delinquent to deal with the proposed punishment is bad, because the delinquent is entitled to show cause against the charge as well as the punishment - *State of Bombay versus Gajanan Mahadev* ( A. I. R.-- 1954 Bom. 351 ). The chargesheet which is a document containing the charge or charges, may contain particulars of the proposed punishment or may not do so. Where there is a single charge and a single punishment proposed, it is advisable to mention the punishment since this obviates the necessity of a second show cause notice. But where there are more than one charge or more than one proposed punishment, it is necessary to serve a second show cause notice to convey to the delinquent the information as to what charges have been proved and what punishment is proposed to be inflicted upon a proved charge. Otherwise he cannot effectively deal with the question - *High Commissioner for India versus I. M. Lal*. ( A. I. R. 1948, P. C. 121 ); *Sambandam versus General Manager, S. I. Railway* ( 1952-I-LLJ. 540 ); *Jatindra Nath Biswas versus R. Gupta* ( 58 C. W. N. 128 ); *Sisir Kumar Das versus State of West Bengal* ( 58 C. W. N. 952 ); *P. J. John versus State of Travancore-Cochin* 1956-I. LLJ. 235 )."

" *Investigation of the Charge.* — A departmental enquiry is not a judicial proceeding and the law and procedure applicable to judicial proceedings are not applicable. The strict rules of the law of evidence are not to be applied *Board of Education versus Rice* ( 1911 A. C. 179 ); *Local Government Board versus Arlidge* ( 1915 A. C. 120 ).

But this does not mean that the proceedings can be held in an arbitrary manner. The rules of natural justice must still be applied. The question often arises as to whether after a person has submitted his written explanation, there should be a personal hearing or not. Ordinarily there must be personal hearing. If a person is entitled to show cause, he is entitled to a hearing, and if he is entitled to hearing, he must have the opportunity of being personally heard of calling his own evidence and cross-examining any witness called by the prosecution - *Ram Shankar Srivastava versus D. S. N. R. Allahabad* ( 1956 All L. J. 65 ); *A. P. Singh versus, State of Uttar Pradesh* ( 1952 A. L. J. 342 ); *Ravi P. N. Singh versus State of Uttar Pradesh* ( A. I. R. 1952 All 99 ). "

The learned Judge has further observed —

" There is no bar upon the authority entitled to punish, to delegate the enquiry to subordinate officials. Indeed, this is the manner in which it is usually conducted-*Pradyat K. Bose versus Honourable Chief Justice of Calcutta* ( 1956 S. C. A. 79 at 90 )".

“ But the person dealing with the enquiry at any stage is in the position of Judge and the rules of natural justice demand that he should not himself be personally interested in the Case-Frome United Breweries Co. *versus* Bath ( 1926 A. C. 586 at 590 ). He should be a person with an open mind, a mind which is not biased against the delinquent - *Eckersley versus Mersey Docks and Harbour Board* ( 1894 ) 2 Q. B. 670 ; R. *versus* Succex J. J. Exp. Macarthy ( 1924 K. B. 259 ) ; R. *versus* Rand ( 1866 ) L. R. 1 Q. B. 230 ; Frome United Breweries *versus* Bath ( 1926 A. C. 586 ) ; R. *versus* Cambourne Justices ( 1954 2 All. Eng. R. 550 ). He should not have prejudged the issue - *East India Electric Supply and Fraction Co. versus S. C. Dutt Gupta* ( 59 C. W. N. 162 ). He cannot act both as a judge and a witness-Bijoy Ch. Chatterjee *versus* State of West Bengal [58 C. W. N. 988-1954(2) LLJ. 713 ]. There is no bar to a person, issuing the show cause notice to try it himself. The principle that a prosecutor cannot be a judge is not strictly applicable to departmental enquiry - *State of Bombay versus Kushaldas Advani* ( A. I. R. 1950 S. C. 222 ). But he must not lower himself to the Status of a Common prosecutor, that is to say, of a person who feels it a part of his function to bring the guilt home to the accused at any cost. He must act with the detachment of a judge, since he is professing to exercise that dignified function. ”

“ The provisions of the Indian Evidence Act are not strictly applicable so it is not relevant to consider if facts have been “proved” according to law. It is permissible to look into documents or records which strictly speaking would not be evidence in a court of law, but with one safeguard. Any document or record which is looked into or relied upon must be disclosed to the delinquent and he must be afforded an opportunity of dealing with it. *P. J. John versus State of Travancore-Cochin* ( 1956, 1. LLJ. 235 ). Where witnesses are called, their entire evidence must be taken in the presence of the delinquent, who must be permitted to cross-examine all such witnesses. It is not permissible to examine witnesses in the absence of the delinquent or take *ex-parte* statements and then ask the delinquent to cross examine - *State of Bombay versus Gajanan Mahadev* ( A. I. R. 1954, Bom. 351 ) ”.

Though there is no law which requires the managements to produce witnesses or documents in their possession which are relevant for the case, if required by the workmen, yet, it has been held in the same case that when the witness is another employee under the control of the employer and when the documents are relevant, the management should help the employee concerned to produce both the witness and the documents at the enquiry as otherwise it would be a mockery of a trial. The learned Judge in this connection observed as follows :—

“ There is no law which requires the authorities to produce any witness when required by the delinquent to do so. But equally it must be remembered that when such a witness is within the control of the authorities and when the delinquent cannot produce him and the evidence appears to be relevant, the authorities must extend all help to the delinquent to procure such evidence-Krishna Gopal Bose *versus* Director of Telegraphs ( 60C. W. N. 692 ). The same is the case with regard to documents in the possession or power of the authorities. If they are relevant and the delinquent requires their production they should be produced. Where such evidence is relevant and within the possession and power of the authorities but not produced, there results only a mockery of a trial and the proceedings may be set aside. Court must see that justice is done ”.



The Labour Appellate Tribunal in *Janata Pictures and Theatres Ltd., versus Amulya Chakraborti* [ 1956 (2) LLJ. 67 ] has in dealing with the question of natural justice observed as follows at p. 69.

“ So far as the principles of natural justice are concerned the authority dealing with the workmen should not be guilty of adopting unfair means and must not only act in good faith but also fairly and reasonably and without violating the principle of *audi alteram partem*. The authority in question must give the party an opportunity of being heard before him and stating their case. He must act honestly and impartially and not on the dictation of some other person or persons. There would be no decision in accordance with the principles of natural justice if there were any thing done contrary to the essence of justice. The fundamentals of fair-play have to be observed by any person or authority whose determination touches rights of the subjects. There must be a desire to reach an honest conclusion after hearing what was urged on either side, and a resolve not to make up their minds before hand on personal guilt, however, firmly they held their opinion as to union policy and, however, strongly they did share any previous adverse criticism of the respondent's conduct. In other words whatever act is done must be in good faith and a conclusion must be reached after fairly listening to both sides, for that is the duty lying upon every one who decides anything. ”

Another well-established principle of natural justice is that no one can be a judge in his own cause. If there are circumstances so affecting a person acting in a judicial capacity as to be calculated to create in the mind of a reasonable man a suspicion of that persons impartiality, those circumstances are themselves sufficient to disqualify though it may be no bias in fact exist.

Yet another principle is that justice should not only be done but should manifestly and undoubtedly seem to be done. In *Visakhapatnam Co-operative Motor Transport versus Bangar Raju and others* ( 1954, Andhra Law Times 179 ) it is laid down as follows :

“ Closely allied to this principle is the other salutary principle that it is of fundamental importance that justice should not only be done but manifestly and undoubtedly seem to be done ”.

As has been said,

“ the law never acts by stealth ; it condemns no one unheard so that a personal judgment rendered against a party without notice or an appearance by him, is vitiated by the same infirmity as a judgment without jurisdiction ” ( *vide* *Chatterjee versus Durga Dutt*-23 Cal. L. J. 436 ).

If no charge-sheet or an opportunity to explain is given or no enquiry is held at all and a workman is dismissed for misconduct it is clear that the principles of natural justice have been violated as he has been condemned without being heard.

See *Gasliton Colliery versus its workmen* [ 1954 (1) LLJ. 144 ] ; *Kanpur Mechanical and Technical Workers' Union, versus Ganges Flour Mills* [ 1954 (1) LLJ. 332 ] ; *Tobacco Manufacturers ( India ) Ltd. versus Cigarette Factory Workers' Union* [ 1952 (1) LLJ. 509 at 511 ] ; *Varadaraja Motor Service versus their workmen* [ 1953 (1) LLJ. 226 ] ; *Lakshmi Devi Sugar Mills Ltd. versus Chini Mill Mazdoor Sangh* [ 1952 (2) LLJ. 789 ] ; *Kirlampudi Sugar Mills Ltd. versus their workmen* [ 1953 (2) LLJ. 352 at 354 ] ; *Shri Kallalagar Devasthanam versus T. T. Nambigal* ( 1943 Mad. 222 at 226 ) ; *A. N. Parab versus Seksaria Cotton Mills Ltd.*, [ 1953 (2) LLJ. 261 ].



In *Buland Sugar Co. Ltd. versus Shri M. M. Dargan*. [ 1952, I, LLJ. 504 ] an enquiry has, however, been held not essential before termination of service of an employee on probation at the end of his probationary period even on the ground that his work was unsatisfactory.

It has also been held by the Labour Appellate Tribunal in *Shalimar Works Ltd. versus their workmen* [ 1955, II, LLJ. 395 ], that for an order terminating the services of a workmen to be effective two things are necessary. There must be an order terminating his service and, secondly it must be communicated to the workman concerned. A general notice of dismissal affixed on the notice-board of the company was not considered effective.

In some cases the Labour Appellate Tribunal has held that an oral enquiry is not sufficient as there would be nothing before an appellate authority or tribunal if an industrial dispute is subsequently raised, to judge whether the dismissal order is justified or not or whether the principles of natural justice have been observed. See *Madras Electric Tramways ( 1904 ) Ltd. versus Madras Tramways Workers' Association* [ 1954, I, LLJ. 327 ] and also *Gowri Silk Mills versus its workers* [ 1956, I, LLJ. 49 at 53 ].

In another case *viz. Md. Khaja versus Road Transport Department, Hyderabad Dn.* [ 1956, I, LLJ. 430 ], it was held by the Labour Appellate Tribunal that when departmental rules provided for an enquiry after the service of a charge-sheet and consideration of explanation from the concerned employee, and even when such formal enquiry could be dispensed with when the employee had been convicted at a judicial trial, such conviction by a criminal court could not dispense with the service of a charge-sheet and consideration of the explanation by the employer ”.

In certain cases Standing Orders provide for procedure to be followed before punishing a workman. In such cases even a departure from the standing orders would be a violation of principles of natural justice only if the workman has been prejudiced by such departure. The Labour Appellate Tribunal in *Assam Oil Co. Ltd. versus Applaswami* [ 1954, II, LLJ. 328 at 333 ] has, in dealing with this matter observed as follows :

“ Rules of procedure are only hand maids of justice and any departure from such rules of procedure as laid down in the standing orders would not be material unless it is shown that the workman concerned had materially been prejudiced by the adoption of an irregular procedure. There is no reliable evidence in any of the cases which we have before us that the workman concerned had been prejudiced. In our opinion, an enquiry conducted according to the rules of natural justice would be sufficient. Where, however, it is proved that a fair enquiry had not been made a tribunal would not naturally place much reliance upon the evidence as recorded at the enquiry. But whether an enquiry which has been conducted is a fair enquiry or not is a question of fact and is to be considered and answered on the facts of a particular case if the fairness of the enquiry is challenged.”

*Discharge simpliciter.*—The question of discharge simpliciter has been considered in a number of cases. In *Municipal orporation, Greater Bombay* and another *versus Labour Appellate Tribunal* and another [ 1957, II, LLJ. 37 ] the Bombay High Court, dealing with the question of termination of service, observed as follows at page 41 :—

“ It is true that the form of the order terminating employment is not always decisive of the true nature of the order. If an order in form

terminating employment is passed merely to camouflage an order dismissing or discharging from employment, the Labour Court may be entitled to come to the conclusion, having regard to the circumstances in which the order was passed, that the requisite formalities not having been followed the order was unlawful and cannot be given effect to".

In *Assam Oil Co. versus Workmen* ( 1960, I. LLJ. P. 587 ) the Supreme Court of India has observed as follows :—

“ That being the nature and extent of the jurisdiction of the industrial tribunal, it is too late now to contend that the contractual power of the employer to discharge his employee under the terms of the contract cannot be questioned in any case.

If the contract gives the employer the power to terminate the services of his employee after a month's notice or subject to some other condition, it would be open to him to take recourse to the said term or condition and terminate the services of his employees ; but when the validity of such termination is challenged in industrial adjudication it would be competent to the Industrial Tribunal to enquire whether the impugned discharge has been effected in the *bona fide* exercise of the power conferred by the contract. If the discharge has been ordered by the employer in *bona fide* exercise of his power, then the industrial tribunal may not interfere with it ; but the words used in the order of discharge and the form which it may have taken are not conclusive in the matter and the industrial tribunal would be entitled to go behind the words and the form and decide whether the discharge is a discharge simpliciter or not. If it appears that the purported exercise of the power to terminate the services of the employee was in fact the result of the misconduct alleged against him, then the tribunal will be justified in dealing with the dispute on the basis that despite its appearance to the contrary the order of discharge is in effect an order of dismissal. The exercise of the power in question to be valid must always be *bona fide*. If the *bona-fides* of the said exercise of power are successfully challenged, then the industrial tribunal would be entitled to interfere with the order in question. It is in this context that the industrial tribunal must consider whether the discharge is *mala fide* or whether it amounts to victimization or an unfair labour practice, or is so capricious or unreasonable as would lead to the inference that it has been passed for ulterior motives and not in *bona fide* exercise of the power conferred by the contract. In some cases the employer may disapprove of the trade union activities of his employee and may purport to discharge his services under the terms of the contract. In such cases, if it appears that the real reason and motive for discharge is the trade union activities of the employee, that would be a case where the industrial tribunal can justly hold that the discharge is unjustified and has been made *mala fide*. It may also appear in some cases that though the order of discharge is couched in words which do not impute any misconduct to the employee, in substance it is based on misconduct of which, according to the employer, the employee has been guilty ; and that would make the impugned discharge a punitive dismissal. In such a case fairplay and justice require that the employee should be given a chance to explain the allegation weighing in the mind of the employer and that would necessitate a proper enquiry. Whether or not the termination of services in a given case is the result of the *bona fide* exercise of the power conferred on the employer by the contract or whether in substance it is a punishment for alleged misconduct would always depend upon the facts and circumstances of each case. In this connection it is important to remember

that just as the employer's right to exercise his option in terms of the contract has to be recognised so is the employees' right to expect security of tenure to be taken into account. These principles have been consistently followed by industrial tribunals and we think rightly. (*vide* Buckingham and Carnatic Company Ltd. *versus* Workers of the Company. 1952, II. L. L. J. 314) Therefore, we are not prepared to accede to the argument urged before us by the learned Additional Solicitor-General that whenever the employer purports to terminate the services of his employee by virtue of the power conferred on him by the terms of contract, industrial tribunals cannot question its validity, propriety or legality.

In the present case, there is no doubt that the order of discharge passed against Miss Scott proceeds on the basis that she was guilty of a misconduct. As we have already pointed out, Mr. Gowan communicated to her what he thought were grave defects in her work and in the letter of discharge itself the same allegations are made against her. That being so, it must be held that the discharge in the present case is punitive. It amounts to a punishment for alleged misconduct, and so the tribunal was right in holding that the appellant was not justified in discharging Miss Scott without holding a proper enquiry."

This case, together with other cases, was considered by the President, Industrial Court, Gujarat, Appeal (I. C.) No. 43 of 1960, reported in *Gujarat Government Gazette*, part I-L, dated 7th December, 1961, at page 2912, relevant remarks at page 2917, and after considering all those cases, he deduced the following principles :

(1) That an employer may in the case of an employee exercise his contractual right to terminate the services of the employee after due notice, and if the discharge has been ordered in the *bona fide* exercise of his power the tribunal will not interfere with it.

(2) The mere fact that the person has been guilty of misconduct or that the enquiry for the same has been held against him is not conclusive that it is a penal action for misconduct and not discharge simpliciter. The action actually taken must be looked into to find out whether it is a penal action for misconduct or discharge simpliciter.

(3) The words used in the order of discharge and the form are not conclusive. Even where the order of discharge is couched in words which do not impute any misconduct if in substance it is based on misconduct of which the employee is found guilty the discharge would be punitive dismissal. Discharge simpliciter should not be allowed as a cloak to avoid proper and legal inquiry.

These very principles were reiterated in Appeal (IC) No. 14 of 1962, *Shri R. H. Sheth versus The Halol Urban Co-operative Bank Ltd.*, Halol, reported in *Gujarat Government Gazette*, Part I-L, dated the 12th July, 1962 at page 1824.

**Want of bona fides.**—Cases of lack of *bona fides*, victimization and unfair labour practice in fact overlap each other. The question of *bona fides* would mostly arise where there is a termination of service in accordance with the Standing Orders when the Union challenges the termination and an adjudication has to go into question of justification of termination. In the case of dismissal for misconduct there would have to be a charge-sheet issued ; explanation taken and enquiry held but in the case of termination of service under the Standing Orders, if no enquiry is held, still the adjudicator would be entitled to know the reasons behind the termination in order to judge if

the action of the management was *bonafide* or was with an ulterior motive or his conduct was arbitrary or he had acted with unnecessary harshness etc. Lack of *bonafide* can be established if the termination was with ulterior motives or there was unnecessary harshness, victimization or unfair labour practice. It has been held by the Labour Appellate Tribunal in Gaslton Colliery *versus* its workmen [ 1954 (1) L. L. J. 144 ] that where the workmen charged with misconduct refused to accept the charge-sheet sent to them through a peon, and instead of proceeding with the charge and holding an enquiry the management proceeded to discharge the workmen on an offer to pay one month's notice pay under another rule of the Standing Orders, in the circumstances of that case it would amount to lack of good faith on the part of the management.

In the case of Janata Pictures & Theatres Ltd., ( 1956, II L. L. J. 67 ) a workman was charged with deliberately causing the break-down of machinery and the circumstances of the case showed that the Chief operator, who first made the report of the break-down after purporting to have made an enquiry stated that the break-down was caused deliberately by the workman. Even though the explanation given by the workman stated that the break-down was a mere accident, the management without further enquiry dismissed the workman concerned. The Labour Appellate Tribunal was of the opinion that the so-called enquiry held by the Chief Operator could not be held to be *bona fide* and also held in the circumstances that the Chief Operator was trying to save his skin by shifting the blame on to the workman.

*Victimization.*— In all industrially advanced countries an order made in bad faith with an ulterior motive arbitrarily or with harshness is taken as an instance of victimization or unfair labour practice ( Award given by Shri A. Das Gupta, Adjudicator in the industrial dispute in the Steamer Companies of Calcutta enforced under West Bengal Government Order No. 4507 Lab., dated 8th December, 1948 ). Victimization generally takes the shape of dismissal or discharge for trade union activities. In this connection the Adjudicator in the dispute in the Delta Metal Refineries, Ariadaha ( Award enforced under West Bengal Government Order No. 2562 Lab., dated 28th July 1948 ) has given the following quotation from Lien's Labour Law Relations ; “ It is well known that a strong inference can be drawn and is usually drawn by the Tribunals in favour of the workers against the employer from the fact that an employee has been discharged either immediately or shortly after his affiliation with the union or his election to a union office.”

In the Case of J. K. Cotton Spg. and Wvg. Mills, Co. Ltd., ( 1953 I. LLJ. 257 ) the Labour Appellate Tribunal had held that the fact that the punishment is so excessive as to shock the conscience would be regarded as cogent evidence of victimization. The Madras High Court in the case of Shridharn Motor Service *versus* Industrial Tribunal, Madras, ( 1959, I-LLJ. 380 ) dealing with the question of victimization has observed :—

“ If you punish a man for a wrong which some one else has committed it would be right to say that you are victimizing him ; because then you are literally making a scapegoat of him. Again if you punish a man for something which he has done in another context which has no relation to or bearing to the charge which has been framed against him, the charge and enquiry being only a pretext to punish him for something he has done somewhere else, then also it would be right to say that you are victimizing him. But, if you punish a man for something which he has himself done and the offence found to have been committed and the punishment awarded in respect of it are directly related to each other, I do not see how it can be said there has been any victimization.”

In the Case of National Tobacco Co. of India Ltd., ( 1960, II, LLJ. P.175 ), the Calcutta High Court stated as follows :

“ Victimization means one of two things. The first is where the workman concerned is innocent and yet he is being punished because he has in some way displeased the employer, for example, by being an active member of a union of workmen who were acting prejudicially to the employer’s interest. The second case is where an employee has committed an offence but he is given a punishment quite out of proportion to the gravity of the offence, simply because he has incurred the displeasure of the employer in a similar manner as mentioned above. But where it is found that the employee is guilty of gross misconduct then there cannot be any question of victimization because it merits dismissal by itself.

The Court has further held that if there is a finding that there has been a gross misconduct which by itself merits dismissal, then there is no scope for applying the principle of victimization, because upon that finding the employer and/or the Enquiry Officer was entitled to come to the conclusion that the workmen concerned should be dismissed ”.

The Supreme Court in the Case of Titaghur Paper Mills Co. Ltd., ( 1961, I. LLJ. P. 511 ) had observed :

“ We are of opinion that on the findings of the tribunal itself there was no case for interference with the order of dismissal. The scope of the power of an industrial tribunal to interfere in the matter of dismissal of workmen by the management was considered by this Court in *Indian Iron and Steel Co. Ltd. and another versus their workmen* ( 1958, I. LLJ. 260 ), and it was laid down that the powers of an industrial tribunal in this matter were not unlimited and the tribunal did not act as a Court of appeal and substitute its own judgment for that of the management ..... We are of opinion that the present case is not covered by any of the four grounds on which a tribunal can interfere with the order of dismissal by the management. Dereliction of duty was clearly established in this case ; the management had the right of dismissal under the relevant Standing Orders ; proper enquiry was held and the explanation of the workman was found to be childish. In these circumstances, there was no ground for the tribunal to substitute its own judgment for the judgment of the management in the matter of punishment to be meted out. The two reasons given by the tribunal for interfering with the order of management do not, in our opinion, come within any of the four principles mentioned above. It was not the duty of the management to remind the workman who was failing to perform his duties properly, even if the management sometimes did so. Nor can this be said to be a case of victimization for dereliction of duty was clearly established ”.

*Unfair Labour Practice.*—As in the case of Victimization if the discharge or dismissal as the case may be involves an unfair labour practice tribunals invariably order reinstatement. What is unfair labour practice was explained by D. G. Kamarkar in his award in a dispute in the Ravalgaon Sugar Farm :—

“ A presumption as to unfair labour practice may fairly be drawn where the services of an employee are found to have been dispensed with for no reason whatever or for a reason which is patently false or proved to have been false, the true reason being an indirect or ulterior motive; and on the presumption remaining un rebutted on the part of the employer, the Tribunal may well consider whether..... the employee can be reinstated ”  
( Industrial Court Reporter, April 1949, P. 353 ).

In another context, however, Shri Kamerkar stated that to draw a presumption of unfair labour practices it is not enough that the reason stated was insufficient to justify a discharge but that it must be proved to be a false reason ( Industrial Court Reporter, August 1949, No. AJ-IT 2 of 1949 ).

In the case of *Indian Bank Ltd. versus Their workmen* (1953-I LLJ. 230) it was held by the Labour Appellate Tribunal that the attitude of the bank was that the policy of the directors, right or wrong, must be followed and cannot be questioned even if it causes hardship or inconvenience to the staff or the public. This by itself constitutes an unfair labour practice and shows want of good faith.

Again in the Case of *India Machinery Co.*, (1956-II. LLJ. 408), where the management had insisted on a good conduct bond from the workers wherein insinuation against the President of the union was there, the Labour Appellate Tribunal has observed that obviously the intention of the management appears to have been to get a forced accusation from the workmen against the President of their Union, the effect whereof was calculated to be prejudicial to the union which had recently been formed. This was unfair labour practice.

In the case of *Eveready Flash Light Co.* ( 1961, II, LLJ. P. 204 ) it was held by the Allahabad High Court that unfair labour practice is not limited to any act discouraging trade union activities. The employer who lays off workers with the object of depriving them of their legitimate dues, or makes his workmen sign on temporary contracts and compels them to work for years on permanent jobs with the object of depriving them of the status and the privileges of permanent workers, is guilty of unfair labour practice.

In the Case of *L.H. Sugar Factory\**, the Allahabad High Court observed "It is a necessary corollary of this twin policy of industrial peace and economic justice that the State shall discourage any attempt by the employer to undermine the strength of the trade unions which enable the workmen to negotiate with employers from a position of equal strength. Without the trade unions there can be no collective bargaining or settlement of industrial disputes by conciliation or arbitration. In a national crisis, as in Great Britain during the last World War, a strong trade union commanding the loyalty of all the workmen can be a pillar of strength for the nation. Thus it is against the public interest and the policy of the Industrial Disputes Act, to permit the employers to undermine the trade unions which are the most effective instrument of the State Policy of industrial peace through representative negotiations between employers and workmen. Any systematic attempt by the employer to use his powers of management to disrupt the trade union of his employees will be condemned by the Court as unfair labour practice. "

It may be pointed out that the Indian Trade Unions ( Amendment ) Act, 1947† ) has defined unfair practices. Under the Act the following shall be deemed to be unfair practices on the part of a recognised trade union "

" (a) for a majority of members of the trade union to take part in an irregular strike.

(b) for the executive of the trade union to advise or actively to support or to instigate an irregular strike.

\* 1961-I—LLJ—686.

† This act was not brought into force.

(c) for an officer of the trade union to submit any return required by or under this Act containing false statements. ”

The following shall be deemed to be unfair practices on the part of an employer :—

“ (a) to interfere with, restrain, or coerce his workmen in the exercise of their rights to organise, form, join or assist a trade union and to engage in concerted activities for the purpose of mutual aid or protection ;

(b) to interfere with the formation or administration of any trade union or to contribute financial or other support to it ;

(c) to discharge or otherwise discriminate against any officer of a recognised trade union because of his being such officer ;

(d) to discharge or otherwise discriminate against any workman because he has made allegations or given evidence in an enquiry or proceeding relating to any matter such as referred to in sub-section (1) of section 28F.\*

(e) to fail to comply with the provisions of section 28F; “ Provided that the refusal of an employer to permit his workmen to engage in trade union activities during their hours of work shall not be deemed to be an unfair practice on his part ”\*.

“(1) The executive of a recognised Trade Union shall be entitled to negotiate with employers in respect of matters connected with the employment or non-employment or the terms of employment or the conditions of labour of all or any of its members, and the employer shall receive and send replies to letters sent by the executive on, and grant interviews to that body regarding such matters.

(2) Nothing in sub-section (1) shall be construed as requiring an employer to send replies to letters on or grant interviews regarding matters on which, as a result of previous discussion with the Executive of the Trade Union, the employer has arrived at a conclusion whether in agreement with the executive or not unless a period of at least 3 months has elapsed since the said conclusion was intimated to the executive or unless there has been a change in circumstances.

(3) Any dispute between the employer and the executive of a recognised Trade Union as to whether conclusion has been arrived at, or whether there has been a change in circumstances, within the meaning of sub section (2) shall be referred to the Registrar whose decision shall be final.

(4) The executive of a recognised Trade Union shall be entitled to display notices of the Trade Union in any premises where its members are employed and the employer shall afford the executive reasonable facilities for that purpose”.

*Basic error and baseless and perverse finding.*—In the case of Indian Iron and Steel Co. Ltd., ( 1958, I, LLJ. 260 ) the Supreme Court in dealing with the Case of Abharani Debi, observed as follows and held that her case could come under the category of the finding being baseless and perverse on the materials:—

“ This brings us to the Case of Abharani Debi where also the same principles apply. She was a nurse in the Burnpur Hospital and the charge

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\* Rights of Recognised Trade Unions.



against her was that she had incited and instigated one Karu, a sweeper working in the hospital, not to attend his duties on the morning of 5th September 1953. An enquiry was held and she was found guilty of the charge. The Tribunal found that the charge against her was completely baseless, and the enquiry report against her made the mountain of a mole-hill. She made some comments to Karu with regard to a pass which had been issued to Karu, and the comments innocuous in themselves were magnified into a charge of intimidation. It is significant that before the Labour Appellate Tribunal, the Company did not even argue the Case of Abharani”.

The Labour Appellate Tribunal in Fort William Jute Mills No. 2 *versus* Shri Joynool [ 1952(II) LLJ. 320 ] held that where the charge of habitual neglect of work was made against the workman, a finding that from his past record of service the workman had no interest for work, when the service card showed a clean record, was a perverse finding.

If the finding at the enquiry is based on extraneous matters or if the workman is found guilty of a charge not included in the charge-sheet, it would mean that the management is guilty of a basic error, though in certain circumstances it may also offend the principles of natural justice and show lack of *bona fides*.

The Supreme Court in Lakshmi Devi Sugar Mills Ltd. *versus* Nand Kishore Singh [ 1956 (II) LLJ. 439 at 443 ] has in this connection stated as follows :—

“ The charge-sheet which was furnished by the appellant to the respondent formed the basis of the enquiry which was held by the general Manager and the appellant could not be allowed to justify its action on any other grounds than those contained in the charge-sheet. The respondent not having been charged with the acts of insubordination which would have really justified the appellant in dismissing him from its employ, the appellant could not take an advantage of the same even though these acts could be brought home to him. We have, therefore, come to the conclusion that the order made by the Labour Appellate Tribunal was correct even though we have done so on grounds other than those which commended themselves to it ”.

See also Bathgates Employees' Union *versus* Bathgate and Co. Ltd., [ 1953 (I) LLJ. 493 ]. Further, in Choudhary *versus* Union of India and others [ 1957 (I) LLJ. 494 at 501 ], the Calcutta High Court has held that the enquiry Officer must be careful to deal with the charges as framed and not depart from them or import extraneous matters.

In another Case the Orissa High Court in Syam Sunder Misra *versus* State of Orissa [ 1958 (I) LLJ 593 at 597 ], set aside the order of dismissal of an employee on the ground that it was a serious irregularity for the Municipal authorities to have taken into consideration certain previous charges made against the employee, but not included in the charge-sheet that he was called upon to explain.

In Star Paper Mills Ltd. *versus* Star Paper Mills Workers' Union [ 1953 (I) LLJ. 246 ], the Labour Appellate Tribunal confirming the award of the Industrial Tribunal ordering reinstatement of a dismissed workman observed that no person should be punished on mere suspicion.



*Misconduct.*— Model Standing Orders prescribed under the Bombay Industrial Employment ( Standing Orders ) Rules, 1959, specify the following items of misconduct :—

“ (a) Wilful insubordination or disobedience, whether or not in combination with another, of any lawful and reasonable order of a Superior ;

(b) going on illegal strike or abetting, inciting, instigating or acting in furtherance thereof ;

(c) wilful slowing down in performance of work, or abetment or instigation thereof ;

(d) theft, fraud or dishonesty in connection with the employer's business or property or the theft of property of another workman within the premises of the establishment ;

(e) taking or giving bribes or any illegal gratification ;

(f) habitual absence without leave, or absence without leave for more than ten consecutive days or overstaying the sanctioned leave without sufficient grounds or proper or satisfactory explanation ;

(g) late attendance on not less than four occasions within a month ;

(h) habitual breach of any Standing Order or any law applicable to the establishment or any rules made thereunder ;

(i) collection without the permission of the Manager of any money within the premises of the establishment except as sanctioned by any law for the time being in force ;

(j) engaging in trade within the premises of the establishment ;

(k) drunkenness, riotous, disorderly or indecent behaviour on the premises of the establishment ;

(l) commission of any act subversive of discipline or good behaviour on the premises of the establishment ;

(m) habitual neglect of work, or gross or habitual negligence ;

(n) habitual breach of any rules or instructions for the maintenance and running of any department or the maintenance of the cleanliness of any portion of the establishment ;

(o) habitual commission of any act or omission for which a fine may be imposed under the Payment of Wages Act, 1936 ;

(p) canvassing for union membership or the collection of union dues within the premises of the establishment, except in accordance with any law or with the permission of the Manager ;

(q) wilful damage to work in process or to any property of the establishment ;

(r) holding meetings, inside the premises of the establishment without the previous permission of the Manager or except in accordance with the provisions of any law for the time being in force ;

(s) disclosing to any unauthorised person any information in regard to the processes of the establishment which may come into the possession of the workman in the course of his work ;

(t) gambling within the premises of the establishment ;

(u) smoking or spitting on the premises of the establishment where it is prohibited by the employer ;

(v) failure to observe safety instruction notified by the employer or interference with any safety device or equipment installed within the establishment ;

(w) distributing or exhibiting within the premises of the establishment hand-bills, pamphlets, posters and such other things or causing to be displayed by means of signs or writing or other visible representation on any matter without previous sanction of the Manager ;

(x) refusal to accept a charge-sheet, order or other communication served in accordance with these Standing Orders ;

(y) unauthorised possession of any lethal weapon in the establishment.

*Explanation.*—No act of misconduct which is committed on less than three occasions within a space of one year shall be treated as habitual. "

According to the Standing Orders a workman guilty of misconduct may be—

" (a) warned or censured, or

(b) fined, subject to and in accordance with the provisions of the Payment of Wages Act, 1936, or

(c) suspended by an order in writing signed by the Manager for a period not exceeding four days, or

(d) dismissed without notice."

In Kanpur Omnibus Service Ltd., ( 1952, II. LLJ. 303 ) the Labour Appellate Tribunal in dealing with the question as to whether an act or omission not coming within the Standing Orders would amount to misconduct or not observed as follows :—

" Indiscipline or breach of any rules or instructions for the maintenance and running of any department or maintaining its cleanliness repeated on not less than three occasions within six months "

" No rules or instructions have been shown to us which are alleged to have been broken. The Standing Order 23(k) reads that the breach must be of the rules and instructions for the maintenance and running of any department or maintaining its cleanliness, repeated on not less than three occasions within six months. All these ingredients of the misconduct mentioned in section 23(k) of the Company's Certified Standing Orders are wanting in this case. We are, therefore, constrained to hold that the alleged misconduct was not proved and therefore the company was not justified in discharging Shri Omkar Nath Dubey. It follows that this dismissal was illegal."

Another question as to what constitutes acts subversive of discipline has been dealt with by the Labour Appellate Tribunal in several cases. The important case in which the Labour Appellate Tribunal had attempted to formulate principles on the basis of which an act is to be considered subversive of discipline is *Shalimar Rope Works Ltd. versus Shalimar Rope Works Mazdoor Union* ( 1953, II. LLJ. P. 876 ). In this case, their Lordships considering the decisions of Courts and other decisions of the Labour Appellate Tribunal have observed as follows :—“ It is not possible to set out an exhaustive list of such acts, nor is it necessary for us to do so as we are only required to decide whether the act complained of found by the tribunal was one which is subversive of discipline within the meaning of the second part of rule 9(b) 8 of the Standing Orders. An employer is certainly concerned with the peace and good order in the factory and any act on the part of the workmen having the tendency or effect to disturb the peace and good order should be regarded as subversive of discipline. Thus a fight in the factory between two workmen during the working hours over their private affairs will be an act subversive of discipline even if the Standing Order did not specifically mention such an act as misconduct as had been done in the first part of rule 8 of the present Standing Order. Equally it would be regarded as an act of misconduct for which an employer may punish him by dismissal or otherwise, even if it occurs outside the working hours and outside the factory or place of business of the employer, if the act :—

- (1) is inconsistent with the fulfilment of the express or implied conditions of service or
- (2) is directly linked with the general relationship of employer and employee, or
- (3) has a direct connection with the contentment or comfort of the men at work, or
- (4) has a material bearing on the smooth and efficient working of the concern.”

These general principles have been followed by the Labour Appellate Tribunal and Tribunals in deciding as to what constitutes acts subversive of discipline.

In *Lakshmi Devi Sugar Mills Ltd. versus Jadunandan Singh* [ 1955 (II) L. L. J. 250 ] it was held by the Labour Appellate Tribunal that use of abusive and insulting language in a letter from an employee to his Superior Officer like the General Manager would be an act subversive of discipline.

It may however be stated that in *Bali Rai and another versus Patna, Electric Supply Co. Ltd.*, [ 1955 (I) L.L.J. 164 ], the Labour Appellate Tribunal has, while following the decision in the *Shalimar Rope Works* case [ 1953 (II) L.L.J. 876 ], held that when a workman was charged for a disturbance outside the factory premises and there was no evidence as to the cause of the disturbance the test laid down in the *Shalimar Rope Works* Case would not be applicable as the disturbance might have been as a result of a private dispute and on the ground that the employer was not the general custodian of the morals of his workmen.

*Relief.*— It is well settled by a series of decisions by the Courts that an adjudicator can order reinstatement and also award compensation. In the *Buckingham & Carnatic Mills Case*, the Full Bench of the Labour Appellate Tribunal ( 1951, II. L. L. J. P. 314 ) has observed as follows :—

“ We are leaving out cases of retrenchment on grounds of rationalisation or economy where different considerations will prevail both with

regard to the scope of enquiry and relief and shall now deal with the question of relief where the termination of service, in any of the aforesaid three types of cases is held by the tribunal to be wrongful or unjustified. This question would involve the determination of the circumstances under which reinstatement or payment of compensation instead of reinstatement is to be ordered.

The normal rule in such cases should be reinstatement; but in so ordering, the tribunal is expected to be inspired by a sense of fair-play towards the employee on one hand and considerations of discipline in the concern on the other. The past record of the employee, the nature of his alleged present lapse, and the grounds on which the order of the management is set aside are also relevant factors for consideration. It is not possible to lay down rules which could be regarded as exhaustive on the subject. Each case would have to be considered on its merits, but within the general frame work of the principle indicated above. We must, however, clearly say that we are not prepared to accept the contention of Mr. Nambiar on the views expressed in some awards that reinstatement relief is to be limited to cases of victimization and unfair labour practice and that in all other cases of illegal or improper termination of service compensation should be the general rule. In coming to our conclusions on the subject, we have not overlooked the observations of Divetia J. in the India United Mills Staff Union *versus* the India United Mills Ltd., (1946-47), Bom. Lab. Gazette P. 335."

This decision of the Full Bench has generally been followed by other Tribunals. It may be stated that where there is evidence to establish loss of confidence of the management in the workman concerned tribunals have granted relief of compensation instead of reinstatement (Sitaram Sugar Mills Ltd., Bhaitalapur *versus* Batalpur Chini Mill Mazdoor Sangh [1952 (II) L.L.J. 308]; John Dickinson & Co. Ltd. *versus* Miss M. Hemingway (1955 (II) L.L.J. 67], Allahabad Bank Ltd. *versus* Chaturvedi [1956 (I) L.L.J. 93].

In some cases, however, it has been held that mere assertion that the management has lost confidence in the concerned workman is not sufficient and it is necessary that there must be evidence to establish it. In the case of the United Commercial Bank Ltd., Delhi (1952 I. LLJ. 393) the Labour Appellate Tribunal observed that it would be laying down a wrong principle if the management could be allowed to dispense with the services of its employee by simply paying compensation by merely stating that it has lost confidence in the employee. The Supreme Court in appeal refused to interfere with the discretion exercised by the tribunal (1952 II. LLJ. 577). In the case of J. K. Oil Mill, Kanpur (1955 II. LLJ. 731), the Labour Appellate Tribunal held that the mere statement that the relation between the employer and the employee was strained, was not sufficient to justify the awarding of compensation instead of reinstatement. The Labour Appellate Tribunal observed "Notwithstanding this finding of the learned adjudicator, he has not awarded reinstatement of the workman. In our view there is no valid reason why the workman should not be reinstated when his dismissal was not proper. The learned adjudicator has stated that relations between Shri Onkar Nath Pande and the company are very strained and that as such Shri Onkar Nath Pande's reinstatement would not be expedient. But we find nothing in evidence in support of this statement that relations between Shri Onkar Nath and the company are strained. In view of that, we have to modify the award and order Shri Pande's reinstatement".

However, in the case of a motor service where the permits for the lorries had been cancelled by the Road Transport Authority it was held by the

Labour Appellate Tribunal that even though the dismissal was against the principles of natural justice, only compensation could be ordered as it was impossible to order reinstatement ( *Varadaraja Motor Service versus Workmen* — 1953 I. LLJ. 226 ).

Normally, payment of back wages are given on reinstatement. It has been held by the Labour Appellate Tribunal in *Maguolia Soda Fountains Ltd. versus their workmen* ( 1956 I. LLJ. 176 ), that once an adjudicator decides on reinstatement of a dismissed workman, then the workman cannot be denied back wages during the period of non-employment except for cogent reasons.

Acceptance of notice pay at the time of termination of service or discharge of a workman would not be a bar to awarding the relief of reinstatement, if otherwise it is found that the termination or discharge was improper or unjust. Thus in *Gowri Silk Mills versus workmen* ( 1956 I. LLJ. 49 ), it was observed by the Labour Appellate Tribunal .....“ It has been repeatedly held by our Tribunal that considering the unequal position between an employer and a needy employee, such acceptance of notice wages and wages due upto date cannot be a bar to get any relief by way of reinstatement etc. unless it is proved that the acceptance was voluntary and made with full knowledge of its consequences upon the dispute ( *vide* 1953 II. LLJ. 36 *United Commercial Bank Ltd. versus K. D. Chaturvedi and another* ; and 1952 I. LLJ. 181-187 *Viswamitra Press and their workmen.* ) In this case there is nothing to show that they have accepted payment voluntarily with such knowledge as to prevent or estop them from disputing the propriety of the discharge.”

However, in the case of *Shalimar Works Ltd.* ( 1955 II. LLJ. 395 ), it has been held by the Labour Appellate Tribunal that acceptance by a workman of the provident fund money after the order of dismissal or discharge would be a bar to the relief of reinstatement unless there is positive evidence before the Tribunal that the receipt of provident fund was involuntary.

Again it should be noted that relief of reinstatement can only be to the original post. The Supreme Court in the case of *Western India Automobile Association versus The Industrial Tribunal Bombay* ( 1949 LLJ. 245 ), has observed “ All that is required is that the ex—employee should be restored to his previous position so far as capacity, status and emoluments are concerned and there is nothing extra-ordinary in such restoration being ordered when considered necessary in the interests of peaceful settlement of industrial disputes.”

It may be pointed out that there have been numerous complaints that enquiries are not properly conducted, that the workman has not been given a proper opportunity to defend himself etc. Considering the fact that the workers are mostly illiterate and are placed in an unequal position *vis-a-vis* the management that conducts the enquiry, it is essential that the enquiry conducted by the management should be impartial and beyond reproach. The workman should be allowed to be properly represented at the enquiry. Recently, the Bombay Industrial Relations Act, 1946, has been amended by the Bombay Industrial Relations ( Gujarat Amendment ) Act, 1961 empowering officers and members of an approved union as may be duly authorised under the rules to remain present during a departmental enquiry against an employee who is a member of that union. In the Model Standing Orders ( applicable to Gujarat State ) prescribed under the Industrial Employment ( Standing Orders ) Act, a provision is made whereby a worker against whom an enquiry is to be held is to be permitted to be defended by a workman working

in the same department as himself. The Committee feels that this representation is not sufficient enough, because apart from the fact that another workman may be equally unable to defend the workman against whom the enquiry is held, it is very likely that the workman who comes forward to defend another may in turn be victimized by the management. In fact it is felt that the fear of being victimized may itself prevent any workman from coming forward to defend his colleague. In cases where there are registered unions the representative of the registered union should be allowed to defend the workman who is a member of that union. The Committee is further of the opinion that in all enquiries, procedure under the Standing Orders should be followed. Even in cases where Standing Orders are not applicable, enquiries should be conducted in such a way that principles of natural justice are not violated. Dismissals and discharges should be resorted to only in extreme cases. In other cases, the punishment meted out should not be out of proportion to the gravity of the misconduct. Intervention by the Industrial Relations Machinery is called for in cases where there has been failure to follow procedure under Standing Orders, or where there is material to sustain allegation of victimization, unfair labour practice etc.



## CHAPTER VIII

### ALLOWANCES

In this chapter it is proposed to take up the question of allowances. There have been demands for various types of allowances but all of them have not been dealt with by the tribunals presumably because they may have been withdrawn or not pressed. Some of the allowances which have been raised fairly frequently are dealt with below :—

1. *Acting allowance.*— Acting Allowance is an allowance which is paid to a workman when he is called upon to act or officiate in a higher post. In the case of General Motors ( India ) Ltd., ( 1952 I. LLJ. 205 ), the Labour Appellate Tribunal had laid a general rule that where an employee acts in a higher appointment he should be given the minimum of the higher scale and if his present salary is higher than such minimum he must be put a stage higher in his grade. The acting allowance was, however, to be given to an employee only if he is asked to perform the work of a higher grade for more than 14 days. Again in the decision in a dispute between Glaxo Laboratories (India) Ltd. and their Workmen ( *Bombay Government Gazette*, Part I-L, dated 30th September, 1954, page 2605 at P. 2619 ), the Labour Appellate Tribunal held that the officiating period in the case of monthly rated workmen should be 14 days or more. In the Bank's dispute, the Labour Appellate Tribunal referring to the acting period for claiming officiating allowance observed as follows :—

“ We consider that the limit of 15 days has been properly fixed by the Sastry Tribunal. A person who officiates for a short period does little more than perform the routine duties of the post ; and it would neither be fair to the banks nor to the benefit of the employees to deprive them of the experience to be gained by such officiating work by insisting that for every officiating period the banks must pay a special allowance, however, short that period may be.” ( PP 89/90 of the Award).

In the case of Associated Cement Companies Works Ltd., Dwarka, ( *Bombay Government Gazette*, Part I-L, dated 3rd January 1957, P. 53 ), the Industrial Tribunal had directed that whenever the Company appoints any of its daily rated workers to officiate in a higher grade it shall pay him the minimum of the higher grade in which the vacancy has occurred. If his present wage is higher than the minimum wage of the higher grade, then he shall be paid his present wages plus one stage in the higher grade. Similarly, if a monthly rated worker is appointed to work in a higher grade, for a period of more than 14 days, he shall be paid the minimum of the higher grade in which he is called upon to act, and, if his present pay is higher than the minimum of the higher grade, he shall be paid his present pay plus one stage in the higher grade. In a subsequent award in respect of the same Company ( *Bombay Government Gazette*, Part I-L, dated 20th November 1958, P. 5681 ), the Industrial Tribunal Shri N. L. Vyas appears to have taken the view that some discretion should be given to the management in regard to payment of acting allowance and that acting allowance should be paid to both daily rated and monthly rated workmen only if they have acted for certain number of days on higher posts.

In the case of Parshuram Pottery Works, Dhrangadhra, ( *Bombay Government Gazette*, Part I-L, dated 27th November 1958, page 5820 ), the

Industrial Tribunal, Shri N. L. Vyas has held that both daily and monthly rated workmen should be paid acting allowance if they have worked for 6 days or more on higher job.

In the case of Dhrangadhra Municipality, Dhrangadhra, ( *Bombay Government Gazette*, Part I-L, dated 24th November 1960, Page 877 ) the Industrial Tribunal, Shri N. L. Vyas, has directed that the municipality should pay the minimum pay ( including allowances ) of the higher post when an employee of a lower category is directed to hold the charge of that post for more than 15 days.

The National Industrial Tribunal ( Bank Disputes ) appointed by the Government of India in 1960 made the following recommendations regarding acting allowance ( *Gazette of India*, Extra-ordinary, Part II section 3 (ii), dated 30th June 1962, 1487 at 1671 ) :—

“ I direct that where a workman officiates in a post carrying a salary higher than his own for a period exceeding 15 days, he should be paid an allowance for the period during which he officiates on the basis following :—

(1) Where the basic pay of the permanent incumbent exceeds the basic pay of the person officiating, the officiating allowance shall be 15 per cent. of the basic pay of the person officiating or the difference between the two basic pays whichever is less, provided that in no case will the officiating allowance be less than  $7\frac{1}{2}$  per cent. of the basic pay of the person officiating ;

(2) Where the basic pay of the permanent incumbent is equal to or less than that of the person officiating, the officiating allowance shall be  $7\frac{1}{2}$  per cent. of the basic pay of the person officiating.”

The committee is of the view that acting allowance should be granted to a workman who works continuously for 15 days or more in a higher post. The amount of such allowance will be the difference between his salary and the starting salary of the higher grade. If, however, his present salary is more than the starting salary of the higher grade then the difference between actual salary and the step in the next higher grade should be allowed as acting allowance.

2. *Cash allowance*.—Cash allowance is generally given to persons who have to handle cash every day in view of the responsibility involved. The claim of clerks and peons for some allowance when they do the work of handling cash has been recognised by Industrial Tribunals. The Committee recommends that the cash allowance may be given as under :—

	Rs.	Rs.
For clerks ..	10 to 20 per month	For peons .. 5 per month

3. *Cycle allowance*.—In many concerns the peons have to do regular cycling work in connection with the company's business. There have been demands for payment of cycling allowance to such peons and the tribunals have given some allowance.

The committee has examined a few cases where the question of cycling allowances has been considered, and we fix the following Norms for Cycling Allowance. Cycling allowance for peons regularly doing out-door work, Rs. 7 per month.



4. *Extra show allowance.*—Extra show allowance is an allowance generally paid to Cinema Workmen, whenever an extra show is held. In the Gujarat State, however, the practice of paying extra show allowance appears to exist only in Surat where Re. 1 is paid to each worker, who attends the extra show of trial show. The Committee feels that there is not sufficient data to make recommendations on this point.

5. *House rent allowance.*—Generally, house rent allowance is paid to the employees of the local authorities i. e. municipalities. However, from the available data it appears that house rent allowance is also paid to some of the employees of Arvind Mills Hospital, Ahmedabad; Salvation Army Emery Hospital, Anand and Sarabhai Chemicals, Baroda.

In the case of Arvind Mills Hospital, Ahmedabad, house rent allowance is paid to ward boys, ayahs, hamal and mehtrani at the rate of Rs. 4 per month. In the Salvation Army Emery Hospital, Anand, house rent allowance is paid at the rate of Rs. 5 per month to peons, ward boys and cleaners etc. In Sarabhai Chemicals, Baroda, as per settlement between the parties the company pays 10 per cent of basic wages and dearness allowance with a maximum of Rs. 7 per month towards house rent allowance to watchmen, who are not provided with quarters.

The Vyas Review Samiti appointed by the former Government of Saurashtra on 11th February 1955, recommended house rent allowance to be paid to safai kamdars of the municipalities as under :—

		Rs.
1. Borough Municipalities ..	..	5 per month
2. City Municipalities ..	..	3 per month
3. District Municipalities ..	.	2 per month

It was, however, stipulated that if more than one person of a joint family are employed in the municipality, only one person of each such family shall be allowed house rent allowance.

The municipalities of Saurashtra are generally paying house rent allowance as per the above recommendations.

The Barve Committee appointed by the former Government of Bombay on 1st August 1949, to study and enquire into the living conditions of the scavengers in the then Bombay Province and suggest ways and means to improve their present conditions of work and to fix their minimum wages recommended in case of house rent allowance as follows :—

“ A house rent allowance should be paid by local bodies to all scavengers and sweepers in their employ, who have not been provided with housing accommodation by local bodies at their own cost, whether they live in houses or in huts of their own or in rented rooms, according to the following rates :—

*Rates of House Rent Allowance :*

- |  |  |
|--|--|
| 1. Poona and Ahmedabad Municipal Corporations and Sholapur Municipality. | Rs. 7 per month to the head of the family and Rs. 3-8-0 per month each to other members of the family in employ. |
|--|--|

- |  |  |
|--|--|
| 2. Other Borough Municipalities.                 | Rs. 5 to the head of the family and Rs. 2-8-0 each to the other members of the family in employ.                 |
| 3. District Municipalities                       | .. Rs. 4 per month to the head of the family and Rs. 2 per month each to other members of family in employ.      |
| 4. Greater Bombay                                | .. Rs. 10 per month to the head of the family and Rs. 5 per month each to other members of the family in employ. |
| 5. Notified Area Committees and Gram Panchayats. | Rs. 2 to the head of the family and Re. 1 each to the other members of the family in employ."                    |

The recommendations referred to above pertain only to municipalities. As regards housing to workers in the other industrial concerns the trend of decisions is not in favour of giving any house rent allowance or housing accommodation.

In the case of the Associated Cement Companies, Sevalia Cement Works, *Sevalia versus their Workmen* ( 1953 II LLJ. 845 ) the Labour Appellate Tribunal negatived the claim for separate house rent allowance because it was taken into account while fixing dearness allowance. Similarly, in the case of Ahmedabad Electricity Co. Ltd., Ahmedabad ( *Bombay Government Gazette*, Part I-L, dated 13th November 1958 P. 5611), the Industrial Court Bombay appears to have concurred with the views of Labour Appellate Tribunal that house rent is ordinarily considered to be an item which must be borne by the employees, and it is not ordinarily the employer's duty to provide quarters or to pay house rent allowance in lieu thereof. ( 1952, I, LLJ. P. 515 ).

In *Eastern Plywood Manufacturing Co. Ltd. versus their Workmen* ( 1949, LLJ. 291 ), the Industrial Tribunal rejected the workmen's claim for housing accommodation or in the alternative for house rent allowance of Rs. 10 per month on the ground that the obligation for housing labour in an urban area is not really on the employer, and that the tribunal had already considered in the issues on basic pay and dearness allowance as to how much the company should be directed to pay in emoluments to its workmen. The tribunal thought that it would not be reasonable to saddle the company with any further financial commitments in the shape of house rent allowance.

In *Samastipur Central Sugar Company Ltd. versus their Workmen* ( 1955 II, LLJ. 727, 730 ), the Labour Appellate Tribunal had observed that :

" Where the basic wage and dearness allowance are consolidated, house rent at the normal time and the subsequent rise must be presumed to have been taken into account when the total consolidated amount was fixed."

The same view was taken by the Labour Appellate Tribunal in *National Carbon Company (India) Ltd. versus National Carbon Co. Mazdoor Union, Calcutta* ( 1956 L. A. C. 660 ). In that case the tribunal had directed the employer to pay his workman house rent allowance because it had taken the view that in making the said order it was granting a relief lesser than granting free quarters which the employees had claimed and that the lesser was involved in the greater relief and could be granted by it. On the evidence adduced in the said proceedings the Labour Appellate Tribunal did not agree with this view. It held that :

“ Provision for free quarters by constructing houses cannot permit of comparison with payment of house rent allowance in money month after month to determine which is greater and which is smaller than the relief of providing free quarters.”

On this view the Labour Appellate Tribunal came to the conclusion that the tribunal had no jurisdiction to award house rent allowance when the dispute referred to it for adjudication was about free quarters.

In the case of *Patna Electric Supply Co. Ltd., versus Patna Electric Supply Co. Worker's Union* ( 1959 II LLJ. 366 ), the Supreme Court has considered the decisions of the various tribunals and has pointed out that industrial tribunals have consistently refused to entertain a claim for housing accommodation or for the grant of a special and separate housing allowance, against their employers. The Supreme Court further observed that : “This problem appears to have been considered by the Planning Commission in its report on the Second Five Year Plan. Chapter 26 of the report deals with the general problem of housing and chapter 27 deals with labour policy and programmes. The discussion of the problem in these two chapters show that housing shortage can be conquered only by sustained and well-planned efforts made by the States and the industry together. It is a very big problem and involves the expenditure of a huge amount. Efforts are being made by the Central Government to invite the co-operation of industrial employers to tackle this problem with the progressively increasing financial and other assistance offered by the State Governments. But it is obvious that this problem cannot at present be tackled in isolation by industrial tribunals in dealing with housing demands made by employees in individual cases. In the present economic condition of our industries it would be inexpedient to impose this additional burden on the employers. Such an imposition may retard the progress of our industrial development and production and thereby prejudicially affect the national economy. Besides, such an imposition on the employers would ultimately be passed by them to the consumers and that may result in an increase in prices which is not desirable from a national point of view. It is true that the concept of social justice is not static and may expand with the growth and prosperity of our industries and arise in our production and national income ; but so far as the present state of our national economy and the general financial condition of our industry are concerned, it would be undesirable to think of introducing such an obligation on the employers to-day. That is why we think, the industrial tribunals have very wisely refused to entertain pleas for housing accommodation made by workmen from time to time against their employers.”

Thus it would be seen that housing facilities or allowances are generally given to certain employees under the local authorities. As far as these employees are concerned the Committee is of opinion that the recommendations laid down by the Barve Committee should be the guiding factor. In respect of the employees in other industries it is not felt necessary to fix any norms in view of the decisions of the Courts and tribunals.

6. *Holiday Work Allowance*.—“A holiday by way of a weekly off is intended to enable workmen not only to have rest and recreation at regular intervals but also to enable them to engage themselves in social activities — the essential social needs of workers as human beings. A Sectional or general holiday has a social, religious or political significance. To deprive workmen of their weekly offs or sectional and religious holidays is to disturb their normal expectation and upset their plans and programme. Realising this need of workmen employers in progressive countries like the United Kingdom grant some monetary compensation in addition to a substituted or compensatory holiday. ( ICR 1955 Page 664 ).

In the case of Bombay Gas Co. ( 1950 ICR P. 961 ) the Industrial Tribunal observed :—

“ As soon as a company declares a particular day as paid holiday, the workers in my view acquire a right to receive basic wages and dearness allowance for that day without doing any work. If they are called to work on that day justice demands that in the first instance they should be paid the wages to which they would ordinarily be entitled to without attending work and in addition payment for work done at the usual rate.”

The above view was agreed to by the Industrial Tribunal Shri S. H. Naik while adjudicating upon a dispute in the Indian Hume Pipe Co. Ltd., Wadala ( I. C. R. 1955, P. 661 ). In the case of Messrs Bennet Coleman & Co. *versus* Workmen ( *Bombay Government Gazette*, Part I-L, dated 2nd July 1953, P. 1433 ) the Industrial Tribunal Shri K. C. Sen had observed : “There is a good deal to be said for the view, however, that when the worker is deprived of his off day it is not enough to give another off day but that in addition he should be paid some monetary compensation and that the same argument applies with greater force to the sectional and general holidays. It would, therefore, be appropriate, in my opinion, that a worker who is deprived of his weekly off day should get not only a substituted holiday but also be paid for his work at  $1\frac{1}{2}$  times his basic pay plus the ordinary dearness allowance and that if he has to forgo one of the sectional or general holidays he should be given not only a substituted holiday but be paid for his work at double his basic pay, plus the ordinary dearness allowance.”

In the case of Sandesh Ltd., Ahmedabad, ( *Bombay Government Gazette*, Part I-L, dated 27th October 1960, Page 566 ), the Industrial Tribunal Shri N. L. Vyas, has directed that in case any workman is not granted the benefit of paid holiday and is called on any holiday besides substituted holiday, he shall be paid at double the rate.

The Committee after considering all the factors recommends that this allowance may be paid as follows :—

For doing work on a weekly off, 50 per cent. of the total salary  
wherever permissible by law. plus substitute weekly off.

For doing work on holiday. .. Additional one total salary (no  
substitute).

7. *Night Shift Allowance*.—Night shift working is not universal in all industries although in the important centres of the Cotton Mill industry it has been in vogue for a pretty long time. In certain industries involving continuous processes such as iron and steel, cement, sugar, chemicals and oils etc. however, work during the night is a necessity. In other industries night shift working is not a necessity from the technical point of view

but is never the less resorted to it because " results in a reduction of overhead charges, speedy utilisation of raw materials and decrease of costs " ( Labour Investigation Committee, Main Report, P. 150 ) etc. As against these advantages, the workers' representatives have generally opposed night shift working ( in non-continuous processes ), on the grounds that (a) it has an adverse effect on the health of the worker, (b) it upsets his family and social life, (c) it is unnatural and arduous in character, and (d) if sporadically worked, it will result in unemployment and hardship to the workers. They have further emphasised that "if the society or industry wants for its own purpose to draft a particular section of workers for this type of work it is but proper that such workers should get higher remuneration to compensate them for the special handicap incidental to night work." ( The Ahmedabad Textile Labour Association in its evidence before the Bombay Textile Labour Inquiry Committee — Report of the Bombay Textile Labour Inquiry Committee, Vol. II, Final Report, P. 170 ).

Other reasons advanced in justification of the demand for extra remuneration for night shift are ; the insecurity of employment, the greater incidence of sickness, less production by piece workers, the necessity of incurring extra expenditure on tea or coffee to keep awake and on food purchased from hotels owing to the difficulty of getting it from home etc.

On the other hand, the claim for extra payment is opposed on the ground that production both in quality and quantity in the night shift is lower than in the day shift due, among other reasons, to greater absenteeism, the difficulty of enforcing effective supervision etc. Moreover, with the introduction of a system of change over of shifts the justification for extra remuneration ceases to exist.

An important consideration that has led to a more general introduction of night shift working in industries like cotton in recent years has been the urgent need to step up production in the interests of the national economy. In this connection it may be recalled that the Industrial Conditions Enquiry Committee in their Report on the Cotton Textile Industry in Bombay City strongly recommended the introduction of the third ( night ) shift because " there is no other single measure which would exercise such a powerful and immediate effect on production." ( Interim Report by the Industrial Conditions Enquiry Committee on the Cotton Textile Industry in Bombay City and Bombay District (1948) pp. 49/50 ). They also recommended that though the duration of the 3rd shift will be only 6 hours the workers in that shift should get wages as for eight hours and that there should be a system of change over of shifts as well as the provision for transport to and from the mills.

*Change over of shift.*— The question of shift working is generally covered by provisions made in the Standing Orders for different industries. In most of the industries working night shifts, a system of change over of shift obtains. Under this system, workers are changed over from one shift to another at regular intervals which are generally a week, a fortnight or a month. The observations of the Bombay Textile Labour Inquiry Committee on this subject may be quoted here :—" Workers who are engaged for night work are naturally in favour of a change over system. The advantages of a change over system from the point of view of the workers of night shift are definite and clear. It gives to workers periodic relief from the irksomeness of night work and it may be an effective measure to induce them to accept night shift. We, therefore, recommend that the change over should be made compulsory by law. We recommend that the period be fixed at one month as it has to be a sufficiently long one to afford the workers a chance of

becoming accustomed to altered hours and habits." ( Report of the Textile Labour Inquiry Committee, 1940 Vol. II, Final Report, Pp. 175-6 ). In a number of disputes regarding change over in some mills in Bombay and Ahmedabad, Adjudicators have based their decisions on the recommendation of the Textile Labour Inquiry Committee quoted above and ordered that the system of change over of shifts at the end of every month should continue. ( Report of the Labour Court, Bombay P. 14, in the dispute between the Kamala Mills and their employees etc. No. 155/48 of 25th September, 1948 ). The Bengal Cotton award also provided for a system of change over. It stated, " The night shift work should be allotted to the workmen, as far as practicable, by rotation so that no workman may be employed in night shifts for more than 2 months at a stretch." ( Award of the Tribunal in the dispute between workers and managements of 36 cotton mills in West Bengal enforced under Order No. 2956-Lab., dated 21st August, 1948 ).

The practice of paying higher wages for night shift work does not obtain in most countries. The Bombay Textile Labour Inquiry Committee observed : " the only two exceptions we have been able to find are South Africa and Australia where in wage awards applying to the textile industry an extra allowance is paid for night work. In South Africa the law lays down that the textile worker should get 10 per cent. extra allowance if he is employed on night shift for more than three days per week in two or more consecutive-weeks. Under an award of the Commonwealth Court of Conciliation and Arbitration of Australia for the textile industry extra payment has to be made for night work. " ( Report of the Bombay Textile Labour Inquiry Committee, Volume II, Final Report P. 171 ). Apart from these instances, the general practice under the laws in various countries appears to be to fix shorter hours of work for night shift workers as compared to day shift workers ( Cf. Nicaragua, Cuba, etc. ) ; or to provide for a change over of shifts ( Brazil ). In this connection section 73 of the 'Consolidation of the Labour Laws in Brazil may be quoted. It says " except in cases where work is organised in weekly or fortnightly shifts, the remuneration for night shift work shall be higher than that paid for day work ; for this purpose the rate of remuneration for night work shall not be less than 20 per cent higher than the hourly rate for day work."

Opinion of Adjudicators and Industrial Tribunals on the question of night shift allowance has differed widely. Some have recommended extra payment while others have not. The Bombay Industrial Court in its award in a dispute relating to cotton mills in Ahmedabad and the Industrial Tribunal for the cotton mill industry in West Bengal have recommended a system of change over of shifts but no extra remuneration. On the other hand, the Industrial Tribunal for the Cotton Mills industry in Madras State has awarded extra payment. In this connection the Tribunal has stated as follows : " To make a man work after midnight is not desirable..... The health of the worker is more important than production of yarn or cloth." The Tribunal has however, expressed the view that if night work is absolutely essential " night shift workers should be paid  $1\frac{1}{4}$  of the wages paid to day workers " ( Award of the Industrial Tribunal for the Cotton Textile Mills in the Madras Province (1947) pp. 36-37 ).

The Industrial Tribunal in its award relating to the Tata Oil Mills Co., Bombay awarding the payment of an extra allowance for night shift work has observed that " those who are required to work during the odd hours of the day, denying to themselves the ordinary comforts of family life and other social amenities, must in fairness be compensated. I decide that workers employed in the 2nd and 3rd shifts should be allowed shift allowance at the rates claimed." ( Bombay Industrial Court Reporter, April-June 1948, pp. 263-264 ).

In a Chemical concern in West Bengal the Adjudicator rejected the demand for extra payment and observed as follows :—" This aspect of the matter is important in considering the claim of the workers since the wage should in a manner be correlated to production. Because the company pays the same wages to the night shift workers, though they produce less than the day shift workers, the claim of the night shift workers for additional allowance is not tenable and it should not be allowed in a factory like this where there is a continuous process of work and every worker has got to work in the night shift according to his turn." ( Award of the Industrial Tribunal in the dispute between Messrs Asiatic Oxygen and Acetylene Co. Ltd., Shivpur, Howrah and their workmen published in the Calcutta Gazette, dated 17th June 1948 ). The Kolar Gold Fields Minimum Wage Committee in their report observed, " in the peculiar nature of the mining industry, continuous work ( including night ) is unavoidable. We consider that night work is part of the job and no special allowance is called for [ Report of the K. G. F. Minimum Wage Committee (1950), P. 20 ]. In the case of the Indian Hume Pipe Co. Ltd., Wadala, *versus* their workmen ( I. C. R. June, 1955, P. 661 ), the Industrial Tribunal Shri S. H. Naik referring to an earlier decision of the Labour Appellate Tribunal observed :

" A Full Bench of the Labour Appellate Tribunal classified industries into two broad divisions, namely :—(1) those where continuous working is not essential for technical reasons and (2) those where it is necessary for such reasons. In the first type the learned Tribunal held, night shifts are worked with a view to have large production within a shorter period of time with the possibility of earning larger profits. This consideration for running the night shift does not count where for technical reasons continuous working is essential. Even in an industry of the first type where the night shift work is resorted to, the Textile Labour Inquiry Committee in its report refused to accede to the demand of workers for remuneration at rates higher than what would be paid to them or to their confreres while engaged in day shift. When the industry is of such a nature, the Tribunal said that continuous working is essential for technical reasons, the rotation of a workman into the night shift on the same remuneration as he would be getting when working in the day shift is a condition of service. It is a part of his job and no special allowance is called for. The principles enunciated above make it quite clear that the demand made by the Union for night shift allowance to watchman, electricians, wiremen, mistries, etc. is not tenable. The demand is, therefore, rejected."

In view of the divergent views expressed by the various tribunals on the question of Night Shift allowance, the Committee does not propose to lay down any Norms.

8. *Over time Allowance*.— Section 59 of the Factories Act, 1948 provides for payment to a worker for overtime work at double the ordinary rate of wages in the following cases :—

- (a) Where the worker works for more than 9 hours in any day, or
- (b) Where the worker works for more than 48 hours in any week.

Under the Bombay Shops and Establishment Act, 1948, where an employee in any establishment other than a residential hotel, restaurant or eating house is required to work in excess of the limit of hours of work, he is entitled in respect of the overtime work to wages at the rate of one and a half times his ordinary rate of wages. An employee, in a residential hotel,



restaurant or eating house who is required to work in excess of the limit of hours of work is to be paid at the rate of twice his ordinary rate of wages. For the purposes of computation of wages for overtime work, the expression "limit of hours of work" is defined as follows :—

- (a) in the case of employees in shops and commercial establishments, nine hours in any day and forty eight hours in any week,
- (b) in the case of employees in residential hotels, restaurants, eating houses, theatres, or other places of public amusement or entertainment, nine hours in any day, and,
- (c) in the case of employees in any other establishment, such hours as may be prescribed.

As per the Gujarat Minimum Wages Rules, 1961, wages for overtime are to be paid as under :—

(1) When a worker works in an employment for more than nine hours on any day or in any employment other than an employment in public motor transport for more than forty-eight hours in any week or for more than the hours of work notified under sub-rule (6) of rule 24, as the case may be, he shall, in respect of overtime work, be entitled to wages —

- (i) in the case of employment in agriculture at one and half times the ordinary rate of wages ;
- (ii) in the case of any other scheduled employment at double the ordinary rate of wages.

*Explanation.*—The expression "ordinary rate of wages" means the basic wage plus such allowances including the cash equivalent of the advantages accruing through the concessional sale, to the person employed, of foodgrains and other articles as the person employed is for the time being entitled to but does not include a bonus.

Section 26 of the Motor Transport Workers Act, 1961, also provides for overtime as under :—

"26. (1) Where an adult motor transport worker works for more than eight hours in any day in any case referred to in the first proviso to section 13\* or, where he is required to work on any day of rest under sub-section (2) of section 19\*, he shall be entitled to wages at the rate of twice his ordinary rate of wages in respect of the overtime work or the work done on the day of rest, as the case may be.

\*Section 13.—No adult motor transport worker shall be required or allowed to work for more than eight hours in any day and fortyeight hours in any week :

Provided that where any such motor transport worker is engaged in the running of any motor transport service on such long distance routes, or on such festive and other occasions as may be notified in the prescribed manner by the prescribed authority, the employer may with the approval of such authority, require or allow such motor transport worker to work for more than eight hours in any day or fortyeight hours in any week but in no case for more than ten hours in a day and fifty-four hours in a week, as the case may be:

Provided further that in the case of a breakdown or dislocation of a motor transport service or interruption of traffic or act of God, the employer may, subject to such conditions and limitations as may be prescribed, require or allow any such motor transport worker to work for more than eight hours in any day or more than forty-eight hours in any week.

Section 19.—(1) The State Government may by notification in the official Gazette, make rules providing for a day of rest in every period of seven days, which shall be allowed to all motor transport workers.

(2) Notwithstanding anything contained in sub-section (1), an employer may, in order to prevent by dislocation of a motor transport service, require a motor transport worker to work on any day of rest which is not a holiday, so, however, that the motor transport worker does not work for more than ten days consecutively without a holiday for a whole day, intervening.

(3) Nothing contained in sub-section (1) shall apply to any motor transport worker whose total period of employment including any day spent on leave is less than six days.



(2) Where an adult motor transport worker works for more than eight hours in any day in any case referred to in the second proviso to section 13, he shall be entitled to wages in respect of the overtime work at such rates as may be prescribed.

(3) Where an adolescent motor transport worker is required to work on any day of rest under sub-section (2) of section 19, he shall be entitled to wages at the rate of twice his ordinary rate of wages in respect of the work done on the day of rest.

(4) For the purposes of this section "Ordinary rate of wages" in relation to a motor transport worker means his basic wages plus dearness allowance."

In the case of Caltex (India) Ltd., ( 1952 II-LLJ-183 ), the Labour Appellate Tribunal held that no over time allowance would be admissible if the time in excess of the normal working hours does not exceed 1/2 an hour.

In the case of Alembic Glass Industries Ltd., Baroda, and the workmen ( Staff Members ) employed under it the Industrial Tribunal, Shri I. G. Thakore has observed †:—

" In a series of awards for work beyond normal hours but within the limits of scheduled hours, I have awarded the normal basic wage inclusive of dearness allowance. This has been awarded by me in a number of awards for nearly a decade and this has been followed in a number of other awards, also, though all awards are not uniform and there is a certain amount of variation in the rate. There is also in a number of awards a cushioning period provided. In a comparative recent award in Ravalgon Sugar Farm Ltd., Bombay *versus* workmen ( Head Office Staff ) employed under it ( reported in 1960 Industrial Court Reporter, page 571 at page 609 ), the learned Adjudicator Shri P. D. Savarkar, while dealing with a similar demand has observed ; " that comes to 38 hours a week for the clerical staff and 45½ hours a week for the subordinate staff. Actually, under the Act, the employees cannot claim overtime allowance if their total hours of work in any day do not exceed nine or if their total hours of work in any week does not exceed 48. But Tribunals have been taking a little more liberal view in these matters and employees are paid an extra allowance if they have to sit up after the closing time though the total hours of work may not exceed the limit prescribed in the Act, I, therefore, direct that if a member of the clerical and subordinate staff has to work in excess of the normal working hours upto a limit of 48 hours of work a week he should be paid his pay and dearness allowance pro rata according to the number of hours he has so worked in excess of the normal working hours, and, beyond 48 hours a week he should be paid at the rate of 1½ times his basic pay and dearness allowance. For the purpose of calculating hours a period of 30 minutes and more will be counted as one hour. A period of less than 30 minutes will be omitted." The Tribunal then directed that :—

" The workers covered by this reference ( other than peons and parawalas ) shall be paid overtime, if they are asked to work for more than scheduled hours of work, at their normal rate including dearness allowance. It, however, appears to me that there should be some little safeguard to avoid any abuse. For this purpose, it is essential that the work must be done under the directions of some responsible

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† Guj. Govt. Gazette-I-L, 12-10-1961. P. 2375

superior and that there should be certain amount of cushioning period. I would like to introduce the cushioning period even though it does not exist at present. Such overtime would be payable only, therefore, if the overtime exceeds 20 minutes. This disposes of the reference

The Committee after scrutinising the awards, settlements etc. on the question, is of the view that the question of overtime should be conveniently divided into two parts :—

- (1) Overtime rate for hours worked in excess of normal hours of work but within the limit of statutory hours of work ;
- (2) Overtime rate for hours worked in excess of the statutory hours of work.

The Committee recommends the following norms in respect of overtime allowance :—

Overtime rate for hours worked in excess of normal hours of work but within the limit of statutory hours of work.	Normal rate of total salary.
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Overtime rate for hours worked in excess of the statutory hours of work.	Double the rate of total salary.
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9. *Unclean Work Allowance.*—Unclean Work Allowance is an allowance generally given to Scavengers of the municipalities for doing unclean work connected with the removal of night-soil etc., The Vyas Review Samiti appointed by the Government of Saurashtra on 11th February 1955, has recommended an unclean work allowance of Rs. 5 per month to safai kamdars who are engaged in the work of cleaning latrines and Rs. 3 per month to the safai kamdars who are doing the work of sweeping as well as removal of night soil. ( The work of removal of night soil includes cleaning of latrines, removal of night soil, filling of night soil in the cart, driver of night-soil Cart. )

The Barve Committee appointed by the former Government of Bombay on 1st August 1949 to study and enquire into the living conditions of the scavengers in the then province of Bombay and suggest ways and means to improve their present conditions of work had dealt with the question of unclean allowance. It observed :—

“ Between the work of scavengers and sweepers that of the scavengers is undoubtedly more unclean and there is a general consensus of opinion that the scavenger deserves some greater consideration. In fact some of the local bodies, such as Bombay, Ahmedabad, Bhusawal, Dharamgaon and Mulund are already paying an Unclean Work Allowance, while many other municipalities are paying an unclean work allowance, not so in name, but in the form of higher wages to scavengers than to sweepers. And the difference in wages is some times as much as Rs. 15 per month. We do not think that such large difference is necessary as we lay greater stress on the improvement of the conditions of work. As we have proposed the same scale of pay, dearness allowance and house-rent allowance to scavengers and sweepers, we propose only a small unclean work

allowance for all scavengers *i. e.* all conservancy workmen excepting those who only do the work of sweeping streets and open spaces, at the following rates *viz.* :—

Bombay City .. ..	Rs. 7 per month.
Ahmedabad and Poona Municipalities ..	Rs. 5 per month.
Borough and District Municipalities ..	Rs. 3 per month.
Notified Area Committee and Gram Panchayats.	Rs. 2 per month.

This allowance is an allowance for work and would come under the definition of wages and should, therefore, be treated as part of the wages for scavengers."

Most of the municipalities in the Saurashtra and Kutch areas appear to follow the recommendations of the Vyas Review Samiti in respect of unclean work allowance. Scrutiny of the settlements, awards, etc. shows that a number of other municipalities pay unclean work allowance more or less on the lines of Barve Committee recommendations. Industrial Tribunals have also given much weight to the recommendations of the Barve Committee in considering this demand. This Committee recommends the following norms in respect of unclean work allowance :—

(1) Corporations .. ..	Rs. 5 per month.
(2) Borough and District Municipalities ..	Rs. 3 per month.
(3) Others .. ..	Rs. 2 per month.

(N. B.—Existing position should not be adversely affected.)

10. *Washing Allowance.*—The Vyas Review Samiti appointed by the Government of Saurashtra dealing with the subject has stated that municipalities should give washing allowance to safai kamdars to enable them to keep their uniforms clean. The Committee observed that some of the municipalities are paying such allowance ; but if soap is given in place of an allowance, workers will be encouraged to keep their clothes clean. The Committee recommended supply of soap worth Annas 12 to every sweeper and latrine cleaner every month.

The principle underlying the grant of washing allowance is that those who get their clothes soiled by the nature of the work while on duty should in fairness be given the charges for getting them washed. Where the concern supplies the uniforms to its workmen it is generally the practice either to grant the workers the washing allowance or to make necessary arrangements to get them washed, at the company's expense. The Committee has examined 13 cases where the question of washing charges has been considered and after taking into consideration all facts the Committee recommends Re. 1 per month as the norm for washing allowance for 2 sets of uniforms in cases where washing is not done at the company's expense.

Information regarding important allowances is given in Appendix-XII.

## CHAPTER IX

### MISCELLANEOUS TOPICS

1. *Superannuation Age*.— The question of Superannuation age is dealt with in the Standing Orders. The Industrial Employment Standing Orders Act, is not applicable to concerns employing less than 50 workmen in Gujarat State ; and so in these concerns some provisions will have to be made for retirement age. The necessity of fixing a superannuation age in industry has been pointed out in a memorandum prepared by the Government of India for the 17th Session of the Standing Labour Committee. Retrenchment of workers in industrial establishments and factories are not very un-common and it is found that in cases of retrenchment, persons who have put in a fairly long period of service and who are aged enough are retained and comparatively young persons are retrenched. Under the Second Five Year Plan, it has been laid down that shrinkage in employment on account of rationalisation is to be adjusted against natural wastage. This natural wastage, in absence of any Superannuation age, occurs either by death or on voluntary retirement. The number of persons offering for voluntary retirement may also be very small. Under the Industrial Disputes Act, 1947, the principle of 'last come first go' has to be followed invariably in the case of retrenchment. Thus when a situation arises demanding reduction in employment, normally comparatively younger people are retrenched. This question was taken up for discussion at the 17th Session of the Standing Labour Committee held at Madras in October 1958. It was felt that the question of age of superannuation was closely related to that of retirement benefits and the Standing Labour Committee recommended that the matter should be considered along with the proposal relating to an integrated Social Security Scheme. The study Group which was appointed to draw up an integrated Social Security Scheme had recommended the conversion of the present form of provident funds into a statutory old age and survivorship pension-cum-gratuity Scheme. These proposals are being studied by the Government of India.

In the case of *Guest Keen William's (Private) Ltd., versus Sterling (P. J.) and others* (1959-II, LLJ. 405), the Supreme Court has enumerated the factors that have to be taken into account in fixing the age of superannuation ; " In fixing the age of superannuation, industrial tribunals have to take into account several relevant factors. What is the nature of work assigned to the employees in the course of their employment ? What is the nature of the wage structure paid to them ? What are the retirement benefits and other amenities available to them ? What is the Character of the climate where the employees work and what is the age of superannuation fixed in comparable industries in the same region ? What is generally the practice prevailing in the industry in the past in the matter of retiring its employees ? These and other relevant factors have to be weighed by the tribunal in every case when it is called upon to fix an age of superannuation in an industrial dispute. "

While considering the question of age of superannuation, it must also be borne in mind that improved public health conditions have resulted in increased expectation of life. The second Pay Commission had gone into the question and had stated " that there has been improvement, unquestionably, in public health. " ( Report page 437 ). The Commission quoting statistical figures in support observed — " This is borne out amply by the decline in the death rate per thousand of population from 47.2 in 1911-21 to 27.4 in 1941-51 and according to official estimates from 14.4 in 1951 to 11.6

in 1956 and by the increase of the expectancy of life at birth from 22.59 years in 1911 to 32.45 in 1951 ( in respect of males ) as revealed by the decennial census life tables. In the present context, however, it is not expectancy of life at birth, but in the fifties with which we are concerned ; and at the age of 50, the expectancy has increased from 13.97 years in 1911 to 14.81 years in 1951 and a further increase of 0.25 years is considered likely by 1961. It would be reasonable to infer from these figures that the Standard of Health of those in their fifties is ordinarily better now than it used to be ”.

After taking into consideration all the aspects of the question, the Committee recommends that retirement age ( age of superannuation ) for workmen in all industries should be fixed at (60) Sixty.

2. *Permanency of service and Probation.* —The question of permanency has been a matter of industrial disputes. The Labour Appellate Tribunal in Route Committee, Bengal Bus Syndicate, *versus*, Rashtriya Bus Mazdoor Sangh ( 1953 I, LLJ. p. 61 ) has held that an industrial tribunal cannot only decide the rules regarding permanency but can also fix the cadre of permanent employees in each category even though such fixation of cadre of permanent employees is not specifically referred as a dispute.

While deciding the claims of workers for permanency what is to be considered is as to whether the workers concerned have worked on the same posts for a long time and whether such posts are likely to be continued for a reasonably long time or not. This question will have to be considered irrespective of the fact whether the employer has declared such posts to be permanent or not.\* Dealing with the question as to how permanent strength in a department is to be determined the Full Bench of the Industrial Court in the case of Ananta Mills *versus*, Textile Labour Association ( 1957 I. C. R. P. 1270 ) has held that for the purpose of determining the matter it would have been open to the labour judge to take into consideration how many persons have been regularly engaged to do work of a permanent nature over a fairly long period of time in the department concerned. This means that the work should not be casual, occasional or fluctuating. The permanent strength of the workers should not be judged by taking an average of a short period but by the minimum number of persons employed over a fairly long period ”.

Standing Orders generally provide for permanency and apprenticeship period. There have, however, been complaints that many managements deliberately keep workers either on probation or on a temporary basis, by discharging them and re-employing them at regular intervals. The Committee is of opinion that every management should be in a position to know at least approximately as to what its permanent strength ought to be and it, therefore, feels that workmen should be confirmed in writing after the probationary period is over, unless of course, the worker is unsuitable to the job. The workers should be kept on temporary basis only in cases where the work is of a casual or temporary nature. In this connection, it is pertinent to point out that the Apprenticeship Act, 1961, has been passed by the Lok-Sabha and it received the assent of the President on 12th December 1961. The act regulates the training of Apprentices in certain selected trades. In the statement of objects and reasons of the Bill, it is pointed out that.... “The question of undertaking Legislation for regulating the training of apprentices in industry has been under the consideration of the Government for a long time. Expert Committees which went into the question have recommended such legislation. Although certain establishments in the public and private sectors have been carrying out programmes of training of

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\* Industrial Court, Bombay in Jay Hind Silk Mills Case ( 1955 I. C. R. P. 1448 ).

skilled workers on a systematic basis, industry in general has not as yet fully organised such programmes. In the context of the five year plans and the large scale industrial development of the country, there is an increasing demand for skilled craftsmen. The Government consider that it is necessary fully to utilise the facilities available for the training of apprentices and to ensure their training in accordance with the programmes, standards and syllabi drawn up by expert bodies. The Bill is intended to give effect to these objects."

While this Act regulates apprentice training in certain selected trades, there may be other occupations ( not covered by the Act ), where the managements may be engaging workmen on probation. In such cases, the probationary period should be fixed at a reasonable limit. It would be pertinent in this connection to refer to the decision of the Labour Appellate Tribunal in the case of Gajamudi Estates, *versus* Arumainayagam ( 1957-I-LLJ. 412 ), wherein it has been held that " an employer cannot be permitted to keep a probationer for a protracted period in a state of uncertainty as to his position, and after the expiry of a considerable period the court may properly consider whether having regard to all the facts the inference should be drawn that the probationer has been confirmed. Whether such an inference shall be drawn and the stage at which it shall be drawn are questions of fact, depending on the evidence in each case ".

The Model Standing Orders prescribed under the Bombay Industrial Employment (Standing Orders) Rules, 1959 prescribe 3 months as the period of probation. The Committee is of the view that in trades to which the Apprenticeship Act, 1961 does not apply and in which it is necessary to have a probationary period, 3 months probation is sufficient.

3. *Promotion*.—The question of promotion has been the subject matter of several disputes. It is primarily a management function. The main point for consideration in a case of promotion is as to how far seniority would be the deciding factor. The Industrial Court, Bombay, in the case of Mill Owners' Association, Bombay *versus*, Employees in occupation 'H' employed in the Cotton Textile Mills in Bombay ( 1950 I. C. R. P. 8 ) has held that considerations of efficiency ought to have their due place in making promotions, and not mere seniority of service. Efficiency, skill etc. should be considered alongwith seniority and other things being equal seniority should be observed in making promotions ; but then seniority should not be the sole deciding factor. Other things such as efficiency, qualifications and skill being equal, seniority should be respected in making promotions.

Again in the Case of Patel Mills Co. Ltd., Ahmedabad, ( 1959 ICR. p. 181 ) the Full Bench of the Industrial Court has held that seniority is not the sole test in the matter of promotion and that the employer has a discretion to prefer a junior worker to a senior one on the grounds of efficiency provided that he is not actuated by any ulterior motive or any motive of victimisation in the matter of promotion.

Dealing with the question of promotion in the dispute in Brooke Bond India Private Ltd., Shri F. Jeejeebhoy, Judge, of the National Industrial Tribunal, Bombay has observed. " It may be that the company has a good record of promotions and it is obvious that in the set-up of this concern there must be a constant stream of promotions where the character and capabilities of the individual would be the decisive facts and the concern must be given freedom to make a choice for the purposes of promotion. Labour, however, has a right to be satisfied that promotions do not proceed on basis other than of merit, even if no instances have been cited to the contrary.

I give the general formula which has been accepted by many concerns, namely, all things being equal seniority shall count for promotion. If the senior person has been overlooked in the question of promotion, he is at liberty to ask the concern for the reason why he has been overlooked, in which case the concern shall give him the reasons, provided that it does not expose the concern or the officer giving the reasons to any Civil or Criminal Proceedings. ”\*

The Committee is of the view that seniority should be counted for promotion unless the person concerned is unfit for the higher job.

4. *Transfers*.—It is a recognised principle that an employer has an inherent right to transfer his employees from one department to another or from one of his branches or place of business to another unless the terms of employment specifically provide otherwise. However, transfers cause much inconvenience and therefore even though the management has a right to transfer an employee from one place to another, it must act *bonafide*. Transfer should be only as a result of exigencies of business and should not be a cloak for punishing an employee. A transfer should further not bring about a prejudicial change in the terms and conditions of his service or curtail to any extent the existing benefits enjoyed by him. The employees cannot be made to suffer in a pecuniary sense as a result of the transfer and if a transfer involves reduction in his total emoluments it would be unjustified.

It has been held by the Labour Appellate Tribunal in *Standard Vacuum Oil Co., Calcutta versus their employees* ( 1954 II. LLJ. p. 355 ) that while usually there is a power to transfer a workman from one department to another or one place to another, yet if such transfer is made with a view to victimise the workman, it can be the subject matter of an industrial dispute. The Labour Appellate Tribunal in that case observed as follows :—

“ Colourable exercise by the employer of his power to transfer a workman from one establishment of his at one place to another at a different place ( *e. g.* when the transfer of a workman is ordered with a view to victimise him ) can always be the subject of an industrial dispute, and can be investigated on a reference made under section 10 of the Industrial Disputes Act. It can also be the subject matter of a complaint under section 33-A of the Act, if made without the previous permission of the tribunal, where proceedings concerning that workman are pending, for it would be regarded to be by way of punishment and so would amount to a contravention of section 33(b) of the Act. ”

This decision of the Labour Appellate Tribunal was followed by the Industrial Tribunal, Bombay in *Antony versus Good Year Tyre Rubber Co. of India ( Private ) Ltd. Bombay*, ( 1958, I, LLJ. p. 377 ) and in the circumstances of that case the Tribunal held that the transfer was with a view to victimise the employee concerned.

In the case of *Textile Labour Association, Ahmedabad versus Calico Mills, Ahmedabad* ( 1957 ICR. p. 532 ), the Industrial Court, Bombay appears to have concurred with the view of that L. A. T. that where there are no Standing Orders at all or any other instrument in writing dealing with the service conditions with regard to the transfer or where there are Standing Orders but they do not provide for a transfer from one establishment to another in such a case the transfer of an employee from one establishment to another in a different place is an implied condition of service. The transfer effected in such a case cannot be challenged unless it is *malafide* or is intended to victimise or punish the employee concerned. †

\* Government of India, Ministry of Labour & Employment, Notification No. S O. 1465, dated 17-6-1959 at p. 35.

† 1954-II LLJ. p. 335.



However, the Industrial Court, Bombay, in the case of *New Gujarat Cotton Mills Co. Ltd.*, ( 1958 I. C. R. p. 125 ) has held as unlawful the transfer of the Assistant Weaving Master to a Mill at Hubli purchased subsequently by the same management. Similarly, in the case of *Kundan Sugar Mills vs. Ziya Uddin* ( 1960 I. LLJ. 266 ) the Supreme Court held that it was not a condition of service of employment of the respondents either express or implied, that the employer has the right to transfer them to a new concern started by him subsequent to the date of their employment.

The Committee is of the view that transfers from one station to another should be made only for *bonafide* business reasons and if the exigencies warrant such a transfer. However the convenience of the employees have to be given due weight. The transfer should not bring about a prejudicial change in the terms and conditions of his service or curtail to any extent the existing benefits enjoyed by him. The remuneration and status of the person should not be affected adversely. In the case of inter-departmental transfers and inter-unit transfers in the same town also, the remuneration, status and other conditions of service should not be altered to the workman's prejudice.

5. *Recognition of Unions.*—Statutory provision for recognition of unions exist under the Bombay Industrial Relations, Act, 1946, which is applicable to only a few industries in this state. In the Indian Trade Unions Act, 1926 and Industrial Disputes Act, there is no such provision. Besides, tribunals in this State have not given any directions in this regard. It may, however, be pointed out that under the Code of Discipline, which was ratified by the Central Employers' and Workers' Organisations at the 16th Session of the Indian Labour Conference held in Nainital in May, 1958 and which came into force on June 1st, 1958, managements are required to recognise unions in accordance with the Criteria for recognition of unions appended thereto. The Code provides for two types of recognition. A union can claim to be recognised as a representative union for an industry as a whole in a local area or it can claim recognition as the majority union in an establishment if certain conditions described below, are fulfilled.\*

#### ESSENTIAL CONDITIONS FOR RECOGNITION

(1) *Where there is only one Union.*—If there is only one union in an industry or in an establishment, it can claim recognition provided it has not been found responsible for a breach of the Code during the period of one year immediately before claiming recognition.

(2) *Where there is more than one Union.*—Where there are several unions in an industry or in an establishment, the one with the largest membership and fulfilling the following conditions is to be recognised :—

(a) *Recognition as a representative union for an Industry.*—A Union can claim to be recognised as a representative union for an industry in a local area if :—

(i) it has been functioning for a period of at least one year after registration under the Indian Trade Union's Act,

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\* Recognition of unions under the Code of Discipline; brochure prepared by the Government of India, Ministry of Labour (E & I Division)



(ii) it considers that it commands a majority of membership in any caste not less than 25 per cent. of the workers in that industry in that area,

(iii) it has not been found responsible for a breach of the code during the period of one year immediately before claiming recognition,

(iv) the existing recognised representative union, if any, has completed a period of two years after recognition under the Code.

For the purpose of defining an industry, the classification of industries used by the Labour Bureau, Simla, is to be adopted and industry would mean any business, trade, undertaking, manufacture or calling of employers including any calling, service, employment, handicraft or industrial occupation or avocation of workmen.

The term "Local area" occurring in the criteria is to be defined by the concerned appropriate Government. As far as the Gujarat State is concerned, the local areas adopted for this purpose are the same as those declared by the Government for the purpose of the B. I. R. Act (Under Education and Labour Department Notification No. B.I.R. 116-V, dated 28th July 1961).

A representative union has the right to represent workers in all the establishments in the industry but if a union of workers in a particular establishment has a membership of 50 per cent. or more of the workers of that establishment it would have the right to deal with matters of purely local interest such as the handling of grievances pertaining to its own members. All other workers who are not members of that union might either appeal through the representative union or seek redress directly.

(b) *Recognition as a majority union in an establishment* :—A Union can claim to be recognised as a majority union in an establishment if:—

(i) it has been functioning for a period of one year after registration under the Indian Trade Unions Act. This requirement need not be fulfilled if it is the only union functioning in the establishment,

In case of branches of a union recognised under the code as a representative union for the industry, the qualifying period of one year is not to be insisted upon for granting recognition to the branch union at the unit level provided it satisfies the prescribed membership qualification and is operating in the same local industry as the representative union.

(ii) it considers that it commands a majority of membership in any case not less than 15 per cent. of the workers of that establishment. The requirement of 15 per cent. membership need not be fulfilled if it is the only union functioning in the establishment,

(iii) it has not been found responsible for a breach of the code within one year immediately before claiming recognition,

(iv) the existing recognised union, if any, in the establishment has completed a period of two years after recognition under the code.

*Membership Condition.*—Membership of a union for the purpose of recognition is to be counted only of those workers who had paid subscription for at least 3 months during the period of 6 months immediately preceding the date of reckoning. The date of reckoning is the first of the month in which verification work begins *i. e.* when the verification officer asks the unions to submit their list and books for scrutiny.

*How to secure recognition.*—A Union which satisfies the required conditions should first request the management ( or the concerned Employer's Organisation in the Case of a representative Union ) to accord recognition to it under the code. It should send to the management all relevant particulars, such as date of registration under the Indian Trade Unions Act, its membership *visa-vis* the total strength of the establishment justifying its claim for recognition. If its request for recognition is not accepted by the management, it may seek the assistance of the concerned Implementation Machinery.

*Procedure for Verification of Membership.*—If more than one union functions in an establishment it is necessary to verify the representative character of the various unions. The verification has to be done either by the concerned Implementation Officer, or an officer of the Central or State Industrial Relations Machinery. A procedure to be followed for ascertaining the membership of the unions has been laid down by the Standing Labour Committee ; its details are given below. The results of the verification are to be intimated to the management which would accord recognition to the majority union.

DETAILS OF PROCEDURE OF VERIFICATION OF MEMBERSHIP AS  
LAID DOWN BY STANDING LABOUR COMMITTEE FOR THE  
PURPOSE OF RECOGNITION UNDER THE CODE OF DISCIPLINE

(1) On receipt of a representation from a union for recognition under the Code of Discipline, the Central/State Implementation machinery will first ascertain :—

(a) the names of unions functioning in the establishment together with their number and date of registration by reference to the Registrar of Trade Unions concerned ;

(b) whether any of the unions functioning in the establishment was responsible for an established breach of the Code during the past one year ( By an established breach of the Code, is meant a breach reported to and on enquiry established by the Implementation Machinery of the State or the Centre ) ;

(c) whether the existing recognised union, if any, has completed a period of two years of recognition.

(2) After ascertaining the above facts, the Implementation Machinery at the Centre will request the Chief Labour Commissioner to arrange verification of membership of unions entitled to recognition under the Code. In the State, either the Implementation Officer will carry out this verification or get it done through the State Labour Commissioner, depending on the practice obtaining in each State.

(3) The verification officer will ask the unions by registered post/A. D. to produce before him within 10 days, at the stipulated place and time, a list of their members who have paid subscription for at least 3 months during the period of six months immediately preceding, the date of reckoning along with (i) membership-*cum*-subscription register, (ii) receipt counterfoils, (iii) cash and account books, (iv) bank books, and (v) a copy of the constitution

of the Union. If the number of members of a union is more than 10,000 a longer time on the basis of one additional day for every 2,000 members over 10,000 should be given for submission of its list of members and records.

If any of the unions fails to produce the lists of its members and records, a second and final notice will be given by registered post /A. D. asking it to produce them within 10 days or a longer period as mentioned above, if the membership of the union exceeds 10,000 at the stipulated place and time. If the union fails to produce the list and records on the second occasion also, no further attempt will be made to verify its membership. However, in respect of the union which has submitted its list and records, the verification officer will examine them and report its membership without inviting objections from the rival union, *i. e.* the defaulting union and without doing any personal verification as mentioned in para (7) below. If more than one union produces its list and records, the verification officer will check their membership in the manner described below, ignoring the union which fails to produce its records.

(4) The date of reckoning mentioned in para (3) above will be taken as the first of the month in which verification begins *i. e.*, when the verification officer asks the unions to submit their lists and books for scrutiny.

(5) The verification officer will then check the list of members with the membership register and receipt counterfoils and exclude those who have not paid three months' subscriptions during the period of six months preceding the date of reckoning. This examination will be 100 per cent. and will be done in the presence of the office bearers of the union concerned but not in the presence of the office bearers or representatives of the rival union. If the union objects to the elimination of any member from its membership register, it will have to give full and valid reasons for such an objection. The verification officer will then re-check records (*i. e.* membership register, receipt books etc.) to ascertain the correct position. The verification officer will scrutinise carefully the cash and accounts books as well as the bank book maintained by a union to ascertain that the amount of subscription shown to have been received has been properly accounted for and that the amounts received as subscription are not incompatible with the total number of persons shown in the register and the list furnished by the union. The verification officer will also ensure that only those workers are included in the lists of the unions who were on the Muster Roll of the management on the date of reckoning.

(6) The verification officer will thereafter intimate in writing to the unions concerned that the verified lists of their respective members are ready for inspection by the union representatives at an appointed time and place. The unions will also at the same time be informed that after inspection of the verified list of members of the rival union (s) they should send, in writing, their specific objections, if any, to the entries in these lists, within 10 days (for a longer period if the number of objections is likely to exceed 10,000 on the basis of one additional day for every 2,000 objections over and above 10,000) of the date of inspection. It should be made clear to the unions that general and vague objections like inflated membership, etc. will not be considered; the objections should give names of persons whose membership of a union is objected to and the reasons therefor.

(The union representatives will be allowed to make notes from the verified lists shown to them in the presence of the verification officer; they will, however, not be allowed to take any of the lists nor a copy of the lists will be given to them.)

(7) The objections received from the unions will then be verified by personal interrogation, by the verification officer, of the members on the basis of the following systematic\* sampling system :—

(i) If the objection list furnished by a union consists of 500 or less names of members, the number of persons to be personally interrogated should be 20 per cent subject to a minimum of 100 ;

(ii) If the objection list furnished by a union consists of more than 500 but not more than 1,000 names the number of persons to be personally interrogated should be 15 per cent subject to a minimum of 100 ;

(iii) If the objection list furnished by a union consists of more than 1,000 but not more than 2,000 names the number of persons to be personally interrogated should be 10 per cent. subject to a minimum of 150 ;

(iv) If the objection list furnished by a union consists of more than 2,000 but not more than 5,000 names, the number of persons to be personally interrogated should be 5 per cent subject to a minimum of 200 ; and

(v) If the objection list furnished by a union consists of more than 5,000 names, the number of persons to be personally interrogated should be 2 per cent subject to a minimum of 250.

The persons selected for personal interrogation should among other things be asked whether they are members of a particular union and whether they had paid subscriptions for 3 months within a period of 6 months from the date of reckoning and, if so, the amount of subscription paid, the months for which it was paid, etc. The verification officer will maintain a list of members personally interrogated giving their ticket numbers, name of section where working, the result of personal interrogation etc.

(8) Where the sample check reveals that certain members interrogated deny membership of a union, its list of members will be modified proportionately. For example, if on checking records, it is found that a union has 2,000 valid members and the rival union objects to say, 800, of these members, a 15 per cent sample of the latter has to be drawn *i. e.* 120 persons have to be interrogated personally. If on personal interrogation it is found that 30 of the 120 persons (*i. e.* 25 per cent) deny membership of the union, the strength of the union will be reduced by 25 per cent of 800 persons whose membership was objected to *i. e.* by 200. In other words, the final strength of the union will, in this case be 1,800.

$$[ 2,000 - (25 \text{ per cent of } 800) = 1800 ]$$

If the persons who, on interrogation deny their membership of the union claiming them as their members inform the verification officer that they are members of a rival union, the verification officer will check their membership

\* A systematic sample means sampling from a list by taking individuals at equally spaced intervals called sampling intervals. The sampling interval should be :—

$$\frac{\text{Total number of persons in the objection list.}}{\text{Number of persons in the sample.}}$$

Thus, for example, if there are 400 workers in the objection list and a sample of 100 workers is to be selected the verification officer should select every (400/100) th or 4th worker in the list.

It is however, not necessary that in all cases the Selection should begin from the 4th name in the list; the 1st sample may be either the 1st name in the list, or the 2nd or the 3rd or the 4th name. Thus, for example if the 1st name is selected as the 1st sample, then subsequent samples will be 5th, 9th, 13th etc. if however, the 2nd name is taken as the 1st sample, the subsequent samples would be 6th, 10th, 14th etc., names in the list.

with the list of members and records of that union and adjust its list accordingly *i. e.*, their names will be added to the list of the rival union if they are not already included in it, and excluded, in the manner mentioned above from the list of the claimant union.

(9) While conducting personal verification as mentioned in para (7) above, the verification officer will not allow the representatives of any union or management to be present.

(10) The verification officer will report his findings to the Central/State Implementation Machinery which in turn will communicate its decision to the management as well as to the unions. In his report, the verification officer will also indicate the total number of workers in the establishment and the percentage of the verified membership to it.

#### PERIOD OF RECOGNITION

When a union has been recognised, there is to be no change in its position for a period of two years from the date of recognition provided it is not found responsible for a breach of the Code during this period.

#### DE-RECOGNITION OF UNION

Failure to observe the Code would entail de-recognition normally for a period of one year. This period may be increased or decreased by the Implementation Committee concerned. It is open to an employer to recognise another union during this period provided it fulfills all necessary conditions for recognition.

To de-recognise a union for a breach of the Code, it is necessary that the breach should have been reported by the management to the concerned Implementation Machinery and an enquiry should have been established by it and communicated to the union.

In view of the elaborate provisions framed under the Code of Discipline for recognition of unions, the Committee does not feel the necessity of fixing any Norms in the matter.

6. *Suspension.*—Suspension means prohibiting an employee from performing the duties assigned to him withholding wages for so long as the prohibition subsists. During this period the contract of employment between the employer and employee is said to be under suspension and the employee is said to be suspended. In establishments where Standing Orders have been framed, provision exists which enables the management to punitively suspend a workman for a period generally not exceeding 4 days. The Model Standing Orders framed under the Bombay Industrial Employment ( Standing Orders ) Rules, 1959 also contain a provision whereby a workman guilty of misconduct may be ( among other things ) suspended by an order in writing signed by the Manager for a period not exceeding four days. It must be noted, however, that punitive suspension is different from suspension pending enquiry. An employee may be suspended pending further disciplinary proceedings against him for some serious misconduct and this procedure is normally resorted to in the interest of security and safety of and maintenance of discipline and good order in the establishment. Suspension in such a case is not a punishment but only a logical and expedient immediate action which an employer may find necessary to resort to following the commission of serious and grave act of misconduct by an employee. It may be mentioned that the Model Standing Orders referred to above provide for payment of subsistence allowance to be fixed by suspending authority at not less than  $\frac{1}{3}$ rd basic wages and dearness allowance.

In the case of *Lakshmi Devi Sugar Mills Ltd., versus Ram Sarup and others* ( 1957-I. LLJ. P. 17 ), the Supreme Court has held that suspension without pay pending enquiry as also pending permission of the tribunal under the relevant section could not be considered a punishment as such suspension without payment would only be an interim measure and would last till the application for permission to punish the workman was made and the tribunal had passed orders thereupon. If the permission was accorded, the workman would not be paid during the period of suspension but if the permission was refused he would have to be paid for the whole period of suspension. There is nothing like a contingent punishment of a workman and, therefore, such suspension could not be deemed to be punishment of the workman at all.

Again in the case of *Hotel Imperial, New Delhi and Others versus Hotel Workers' Union* ( 1959-II. LLJ. 544 ), dealing with the scope and extent of the power of the employer to suspend an employee the Supreme Court observed :—

“ It is now well settled that the power to suspend, in the sense of a right to forbid a servant to work, is not an implied term in an ordinary contract between master and servant, and that such a power can only be the creature either of a statute governing the contract, or of an express term in the contract itself. Ordinarily, therefore, the absence of such power either as an express term in the contract or in the rules framed under some statute would mean that the master would have no power to suspend a workman and even if he does so in the sense that he forbids the employee to work, he will have to pay wages during the so-called period of suspension. Where, however, there is power to suspend either in the contract of employment or in the statute or the rules framed thereunder, the suspension has the effect of temporarily suspending the relation of master and servant with the consequence that the servant is not bound to render service and the master is not bound to pay.”

There have been complaints that workers are kept under suspension for an indefinite period either because some enquiry is pending against them or permission/approval from the Tribunals or other authorities is awaited. Indefinite suspension of workers is undoubtedly most unwelcome, as it keeps the persons affected in a state of uncertainty. However, in a case where it is due to the fact that permission/approval is awaited from the concerned authorities under the Industrial Disputes Act, it could not be helped. In other cases, the managements should ensure that enquiries are conducted and a final decision taken as expeditiously as possible. No Norms can, however, be recommended.

7. *Warning*.— Warning is an admonition issued to an employee for a minor misconduct warning him against commission of misconduct of a similar nature or any other misconduct in future. The issue of such a warning does not involve loss of wages or status and though it amounts to disciplinary action, it is not deemed to be a substantive punishment.

Model Standing Orders framed under Bombay Industrial Employment (Standing Orders) Rules, 1959, prescribe warning or censure as a punishment for misconduct. However, no elaborate procedure prescribed for the award of punishments like dismissal, discharge etc. need be followed. It is, however, desirable to call upon the workman to explain his conduct before a warning is issued, and maintain a record showing that an explanation was called for, the explanation given and the reasons as to why it was not found satisfactory.

8. *Fines*.— Fine is a deduction from the remuneration of a workman by way of punishment. The Model Standing Orders framed under the Bombay Industrial Employment ( Standing Orders ) Rules, 1959, provide that a workman guilty of misconduct may be fined, subject to and in accordance with the provisions of the Payment of Wages Act, 1936. Thus the Payment of Wages Act, places a statutory restriction on the exercise of the power of a management to impose fines. According to the Payment of Wages Act, fines are permissible to be imposed only for such acts and omissions as the employer may, with the previous approval, in the case of establishments, of the Municipal Commissioner or the Chief Officer or Secretary as the case may be, within whose jurisdiction the establishment is situated, and in other cases, of the Chief Inspector of Factories, specify by a notice displayed at or near the main entrance of the factory or industrial establishment and after giving the employed person an opportunity for explanation. Further fines — (a) shall not exceed half an anna in the rupee, (b) shall not be recovered by instalments, or later than 60 days of the date of imposition, (c) shall be recorded in a register and applied to such purposes beneficial to the employed persons as are approved by the Municipal Commissioner, Chief Officer, Secretary or Chief Inspector of Factories, as the case may be, (d) shall not be imposed on a child.

The Gujarat Minimum Wages Rules, 1961, framed under the Minimum Wages Act, 1948 also contain similar provisions. As per the said rules, fines shall not exceed half an anna in rupee of the wages payable to an employee in respect of any wage period. Further fines could be imposed only in respect of the following acts and omissions on the part of the employed persons :—

(i) Absence from duty without leave without sufficient cause [ fine may be imposed only as an alternative to the deduction permissible under clause (ii) of sub-rule (2) of rule (21)].

(ii) Negligence in work or neglect of work.

(iii) Smoking on the premises of the work place except in places where smoking is permitted.

(iv) Entering or leaving, or attempting to enter or to leave the premises except by the gate provided for the purpose.

(v) Absence without leave or without sufficient cause from appointed work in the establishment.

(vi) Breach of any rules or instructions for the maintenance and the running of any department and maintaining its cleanliness.

(vii) Damage to work in process or to any other property of the establishment or employer.

(viii) Interference with any safety devices installed in the premises.

(ix) Distributing or exhibiting inside the establishment premises hand bills, pamphlets or posters without the previous sanction of the employer.

(x) Misconduct ( fine may be imposed only as an alternative to a heavier permissible punishment ).

(xi) Late or irregular attendance or both.



Fines are not to be imposed unless an opportunity for explanation is given to the employee and shall be utilised for (a) medical aid, if the standard is adequate, other than that prescribed under any law for the time being in force; (b) facilities for literacy classes; (c) welfare activities including sports and recreation for the employees and their dependents.

The question of fines has been dealt with exhaustively under the statutes referred to above and the Committee does not feel it necessary to make any recommendations in the matter.

9. *Resignation.*—Termination of service of a workman can be either due to some positive action on the part of the management by way of discharge, dismissal or by acceptance of a notice of resignation tendered by the workman. The relationship of master and servant is created by a bilateral act and continues by mutual consent. Resignation by an employee implies withdrawal of his consent to continue the relationship; however such resignation does not become operative unless it is accepted by the employer. An offer of resignation by an employee at a future date is considered to be revocable till it is accepted by the employer. However, once the resignation is accepted, the relationship ends and the employee does not continue in employment. If a workman submits his resignation during the pendency of disciplinary proceedings against him, it is open to the employer not to accept it and proceed to take action on the charges levelled against him. It may be pointed out that the resignation on the part of the workman should be free and voluntary. If he was forced to tender his resignation against his will or was called upon to submit his resignation under such conditions as would amount to duress, it would amount to wrongful dismissal and the employer may be ordered by a tribunal to reinstate him.

No complaints regarding any malpractices in the matter of resignation have been brought to the notice of the committee and the committee does not deem it necessary to give any recommendations in this regard.

10. *Standing Orders.*—Standing Orders defining conditions of service viz. recruitment, discharge, disciplinary action, holidays, leave etc. tend to minimise friction between the workers and their employers in industrial undertakings. The tripartite Indian Labour Conference discussed the subject in 1943, 1944 and 1945 and the consensus of opinion was in favour of legislation. A Bill for framing standing orders defining conditions of employment in all industrial employments employing one hundred or more workers was introduced by the Central Government in the Legislative Assembly on 8th April, 1946. The Industrial Employment (Standing Orders) Act, 1946, which came into force on 23rd April 1946, applies to a wide range of industrial enterprises including factories, railways, mines, quarries or oil fields, plantations, workshops, inland steamer vessels, docks, wharves or jetties, and tramways or motor omnibus services employing 100 or more workers. The Government of Saurashtra amended the Act in 1953 providing for application of the model standing orders notified by the State Government to an industrial establishment until the Standing Orders in respect of that establishment comes into operation. The Government of Bombay passed an Amendment Act, in 1957 which came into force from 15th January 1959) extending the act to industrial establishments employing 50 or more workmen and also providing for application of Model Standing Orders. At present, in the Gujarat State the Act is applicable to industrial establishments in which 50 or more workmen are employed. Model Standing Orders as set out in Schedule I appended to the Bombay Industrial Employment (Standing Orders) Rules, 1959, become applicable to an industrial establishment when the Act applies. The Act further provides for submission of amendments



( within 6 months of the coming into force of Model Standing Orders ) and modifications to the Model Standing Orders to the certifying Officer. The Standing Orders provide for the following matters :—

- (1) Classification of workmen, *e. g.* whether permanent, temporary, apprentices, probationers or badlis.
- (2) Workmen's tickets and registers.
- (3) Manner of intimating to workmen periods and hours of work, holidays, pay-days and wage rates.
- (4) Shift working.
- (5) Attendance and late coming.
- (6) Conditions and procedure in applying for and the authority which may grant leave and holidays.
- (7) Requirement to enter premises by certain gates and liability to search.
- (8) Closing and reopening of sections of the industrial establishment and temporary stoppages of work and the rights and liabilities of the employer and workmen arising therefrom.
- (9) Closing and reopening of the entire industrial establishment or departments thereof and the rights and liabilities of the employer and workmen arising therefrom.
- (10) Termination of employment and the notice thereof to be given by employer and workmen.
- (11) Suspension or dismissal for misconduct and acts or omissions which constitute misconduct.
- (12) Means of redress for workmen against unfair treatment or wrongful exaction by the employer or his agent or servants.
- (13) Age for retire ment or superannuation.
- (14) Any other matter which may be prescribed.

The Model Standing Orders sufficiently meet the requirements and the Committee is of opinion that no norms are necessary in respect of Standing Orders.

11. *Workload*.—Workload is a matter that can be raised as an industrial dispute. However, it has been recognised by adjudicators that the problem is a very complex one and without expert evidence standardisation of work and fixing the workload for each category of workmen cannot be determined. This view has been expressed by the Labour Appellate Tribunal in *Calcutta Tramways Co. Ltd. versus Their Depot Cashiers* (1953 I. LLJ. 75). The Labour Appellate Tribunal in that case, set aside the workload fixed by the Industrial Tribunal on the grounds that the method of fixing the workload was unsatisfactory, was in the nature of guess work and was without expert evidence. No doubt there are some cases in the Engineering industry at Bombay where there has been standardization of work,

but no general principle can be drawn. The question will vary widely depending upon the nature of the work, the average skill of the workmen in the industry and other factors. In the absence of sufficient data it would be difficult to fix a Norm in this respect having general application.

12. *Uniforms.*—In cases, where the nature of the work is such that it involves wear and tear of clothes of employees beyond that is considered as normal it would be necessary to provide uniforms to the workmen. Tribunals also appear to have recognised the need for uniforms in such cases. The question of protective clothing is adequately dealt with in the Rules framed under the Factories Act. It may be mentioned that the Vyas Review Samiti appointed by the Government of Saurashtra in 1955, has made the following recommendations in respect of uniforms to the safai kamdars in municipalities:—

(1) Two caps, two shirts (half sleeved), and two half-pants per year to every male safai kamdar. Two blouses, two petty coats and two sarees per year to every female safai kamdar.

(2) One woollen jersey to every safai kamdar once in 3 years.

The Barve Committee had also recommended that local bodies and Government departments should give a pair of suitable clothing to the scavengers and sweepers in their employ. The Committee is of the view that as far as safai kamdars in municipalities are concerned, the recommendations of the Vyas Review Samiti may form the basis and it, therefore, recommends the following Norms in respect of safai kamdars in Municipalities:—

(1) Two caps, two half pants, two shirts (half sleeved) every year to every male safai kamdar. Two blouses, two petty coats, and two sarees every year to every female safai kamdar.

(2) One woollen jersey every three years to every safai kamdar.

In respect of other concerns, the Committee is of the view that uniforms should be given to peons, watchmen and also to other workers whose clothes are likely to be spoiled and damaged due to the nature of work and recommends the following:—

(1) One pair of cotton uniforms (cap, full pant and coat) per year to peons and watchmen.

(2) One woollen uniform ( cap pant and coat ) once in 3 years, to peons and watchmen; protective clothing should be on the lines of Factories Act.

13. *Welfare activities and medical facilities.*—The Labour Investigation Committee appointed by the Government of India have included under welfare activities anything done for the intellectual, physical, moral and economic betterment of the workers, whether by employers, by Government or by other agencies, over and above what is laid down by law or what is normally expected as part of the contractual benefits for which the workers may have bargained. Thus under this definition, could be included housing, medical and educational facilities, nutrition (including provision of canteen), facilities for rest and recreation, co-operative societies, day nurseries and creches, provision of sanitary accommodation, holidays with pay, social insurance measures undertaken voluntarily by employers alone or

jointly with workers including sickness and maternity benefit schemes, provident funds, gratuities and pension etc. Dealing with the necessity of welfare work, the Labour Investigation Committee has observed as follows:—

“In the first place, there is no doubt as regards the beneficial effects of welfare measures such as educational facilities, sports, entertainments etc., on the sentimental atmosphere in the factory and their contribution to the maintenance of industrial peace. When the worker feels that the employer and the State are interested in his day to day life and would like to make his lot happier in every possible way, his tendency to grouse and grumble will steadily disappear. Secondly, better housing, co-operative societies, canteen, sickness and maternity benefits provident funds, gratuities and pensions, and such other things are bound to create a feeling amongst the workers that they have a stake in the industry as much as any one else, and the present situation under which labour turnover and absenteeism prevail and the workers are constantly trekking to their village homes in search of social security and recreation will yield place to a new situation in which the working class becomes more stabilised and economically efficient. Thirdly, the social advantage, even apart from the humanitarian value of such activities are considerable. Thus, the provision of canteens where cheap, clean and balanced food is available to workers must improve their physique; entertainments must reduce the incidence of vices; medical aid and maternity and child welfare must improve the health of workers and families and bring down the rates of general, maternal and infant mortality, and educational facilities must increase their mental efficiency and economic productivity. For achieving the maximum results, however, welfare activities have to be undertaken in the right spirit *i. e.* mainly with a view to making the lives of the workers happier and healthier. Thus, it has been stated by some trade unions not wholly without reason that employers often make use of welfare activities for undermining the influence of trade unions and wean away the workers from them by discriminating against those who are members of unions. Such vindictive use of welfare activities must necessarily have unfortunate consequence in the long run”.

The Labour Investigation Committee while dealing with the question of canteens has pointed out that ‘the works canteen is being increasingly recognised all over the world as an essential part of an industrial establishment, providing undeniable benefits from the point of view of health, efficiency and well-being. To introduce an element of nutritional balance into the otherwise deficient and unbalanced dietary of the workers, to provide cheap and clean food and an opportunity to relax in comfort near the place of work, to save time and trouble to workers, on account of exhausting journeys to and from work after long hours in the factory, and (during war time at any rate) to enable them to surmount the difficulties experienced in obtaining meals or food-stuffs—these are some of the objects of an industrial canteen.’ ( Report p. 342 ).

Dealing with the value and importance of entertainments, the Committee has pointed out:—

“The value and importance of entertainments as a means to relieve the monotony and drudgery of working long hours in the factory or mine and to introduce an element of joy and relief as well as to impart instruction and education to the ignorant workers cannot be overestimated. The average industrial worker works in an atmosphere of dust, noise and heat, and lives in terrible overcrowded and insanitary dwellings

which are generally no better than dark dungeons, with the consequence that many workers fall prey to vice. No measures to raise the standard of life of workers can succeed unless and until they are weaned away from vice and diversions are provided which can occupy their spare time in a healthy atmosphere. The provision of entertainments such as cinema shows, radio sets, games etc. must effectively fulfil this object and go a long way in reducing the evils of drink and gambling and particularly prostitution which prevails in the labour areas owing to the glaring numerical disparity of sexes" (Report p. 347).

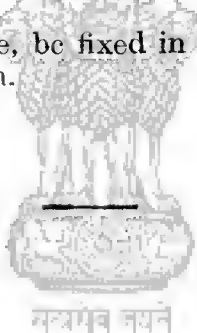
Statutory provisions exist under the Factories Act, in respect of welfare activities. The Factories Act, requires the employer of every factory to provide for washing facilities, facilities for storing and drying clothing and facilities for sitting. Canteen has to be provided in a factory wherein more than 250 workers are ordinarily employed; shelters, rest rooms and lunch rooms have to be provided in a factory wherein more than 150 workers are employed and in a factory wherein more than 50 women workers are employed a creche for use of children under the age of 6 years of such women workers has to be provided. The Factories Act, also requires an employer to appoint a Welfare Officer in a factory wherein 500 and more workers are employed. Apart from these facilities required to be given under statute some managements provide additional facilities such as hospital, co-operative stores, sports, club etc. either voluntarily or as a result of award, settlements etc. In the case of the United Salt Works and Industries Ltd., Kandla, the Arbitrators directed that a multipurpose Co-operative Society for Credit and Consumers Stores should be organised by the Mazdoor Sangh with the help of the Company Officers; that a Consumer's Co-operative Stores and a fair price shop should be run by the Society. It was also directed that the Company should advance interest-free loan in the initial stage of a reasonable amount to the extent of Rs. 25,000 to the Society when registered (*Bombay Government Gazette*, Part I-L, dated 12th December 1957, page-5652). In the Case of the Dhrangadhra Chemical Works, Dhrangadhra, the Industrial Tribunal, Saurashtra had directed the Company to appoint a qualified nurse to work in the hospital and Creche, and also to provide for facilities like supply of clothes, bathing facilities, milk, biscuits and medicine to the children of women workmen brought to the Creche (*Saurashtra Government Gazette*, part V, dated 25th September 1954, p. 1670). Again, in the Case of Halar Salt and Chemical Works, Jannagar, the Industrial Tribunal, Saurashtra, directed the Company to construct four sheds at convenient spots for the benefit of the children of the women workmen; and also to appoint an Ayah for each shed for looking after the children. (*Saurashtra Government Gazette*, Part-V, 15th October 1954, page 1814). Some of the big industrial concerns have furnished information regarding welfare activities in reply to the questionnaire issued by this office. The Alembic Chemical Works Co. Ltd., Baroda, provides among others, facilities of library and sports club. The club also occasionally arranges pleasure trips for the members and an Annual Sports Festival is also held every year. The Company also gives Rs. 15 worth of medicines manufactured by it free of charge every year. Workmen are also allowed to purchase medicines at concession rates from the factory. The management of the Lederle Laboratories (India) Ltd., Bulsar have reported that the sports club run by the employees is subsidised by the management—(Rs. 800 per year). The employees are also given free medical treatment at the dispensary and there is also a provision for hospitalisation expenses. Provision for canteen, creche, rest shelters, water coolers, medical aid, activity centre, providing indoor and outdoor games relay of recorded music, film shows, educational facilities and co-operative credit society exist in the Tata Chemicals, Mithapur. The management of the Atic Industries have informed that provision is made for the following free medical facilities to employees and family members at dispensary, club

extensive play grounds and facilities for games, free Secondary School for the education of children of the employees. Likewise the management of the Anil Starch Products have intimated that benefits like provision for canteen, bathrooms, co-operative credit society, drinking water, medical aid, educational aid are given by the company. The Associated Cement Cos. at Sevalia and Dwarka provide among other things for education of children, library, medical aid and outing for school children to historical places at company's cost, celebration of national holidays etc. The welfare facilities provided at the works at Porbandar include provision for canteen, club, creche, dispensary and rest hall.

It may be noted that provision for medical or welfare facilities apart from those statutorily required to be provided are made by employers on a voluntary basis. In this connection it is pertinent to note the observation, of the Royal Commission on Labour (Report p. 258) that "those employers who have taken a more humanitarian view have found that their action has had valuable effects on the efficiency of their establishments" and that "many of the medical organisations in industrial compounds are worthy of great praise and are clearly responsible for a considerable increase in the health and happiness of the workers and their families".

Directions of the tribunals in the matter of welfare activities and medical facilities have been more or less of a general nature and each case has to be dealt with separately in the light of the financial capacity of the employer to meet such additional burden. Further as far as medical facilities are concerned, the Employees State Insurance Scheme is likely to be extended to certain centres in this State in the near future.

No Norms could, therefore, be fixed in respect of these matters, which will be of universal application.



## CHAPTER X

### SUMMARY OF IMPORTANT RECOMMENDATIONS

#### 1. *Privilege Leave.*—

Local Authorities and Hospitals .. As per Bombay Civil Service Rules.

Hotels and Restaurants, Cinema and Shops and Commercial Establishments and Clerical Staff employed in all industries. As per Bombay Shops and Commercial Establishments Act, applicable to Gujarat State.

All the remaining industries covered under the purview of the Norms Committee. As per Factories Act, 1948.

#### 2. *Sick Leave.*—

All the industries covered under the purview of Norms Committee. 7 days with wages in a year. Accumulation-21 days.

#### 3. *Casual Leave.*—

All the industries covered under the purview of Norms Committee. 7 days with wages in a year.

#### 4. *Paid Holidays.*—

All the industries covered under the purview of Norms Committee. 5 paid holidays in a year.

5. *Bonus.*—The formula or principles for payment of bonus which may be laid down by the Bonus Commission should be the Norms for Bonus.

6. *Provident Fund.*—A Provident Fund Scheme on the lines of the Employees Provident Fund Act and Scheme should be evolved and introduced in the industries covered under the purview of the Norms Committee, to which the scheme is now not applicable.

### GRATUITY

7. *Recommendations.*—(1) Provident Fund if at all introduced is introduced at a very late stage and it, therefore, does not provide adequate protection to the workmen. The committee recommends that a compulsory scheme of Gratuity should be introduced in all industries.

(2) Rate of Gratuity should be higher in cases of death and physical and mental incapacity for further service than under the remaining cases.

(3) The definition of basic wages for the purpose of gratuity should be as follows :—

“ Basic Wages ” means the average of basic wages payable to a workman—

(i) In the case of monthly paid workmen, in the three complete calendar months,

(ii) In the case of weekly paid workmen, in the four complete weeks,

(iii) In the case of daily paid workmen, in the twelve full working days, preceding the date on which the average pay becomes payable if the workmen had worked for three complete calendar months or four complete weeks or twelve full working days, as the case may be and where such calculation cannot be made, the average pay shall be calculated as the average of the basic wages payable to a workman during the period he actually worked.

(4) The meaning of "continuous service" should be the same as interpreted by the Supreme Court in Jeewanlal's Case (1961-I. LLJ. 517).

We recommend a model gratuity scheme as under :—

#### GRATUITY SCHEME

- |  |   |
|--|---|
| (1) On the death of an employee while in the service of the company or on his becoming physically or mentally incapacitated for further service. | One month's basic wages for each completed year of service for the period before the introduction of Provident Fund Scheme in the concern and half month's basic wages for each completed year of service, thereafter, subject to a maximum of 15 months' basic wages to be paid to him or his heirs or his executors or nominees as the case may be. |
| (2) On voluntary retirement or resignation of an employee after 15 years' continuous service in the company.                                     | Same as (1) above.  |
| (3) On termination of services by the company :—   |   |
| (a) After 5 years' continuous service but less than 10 years' service in the concern.  | Half a month's basic wages for each completed year of service.  |
| (b) After 10 years' continuous service but less than 15 years' service in the concern.   | $\frac{3}{4}$ th of a month's basic wages for each completed year of service before the introduction of the Provident Fund Scheme in the concern and half a month's basic wages for each completed year of service, thereafter.   |
| (c) After 15 years' continuous service in the concern.   | Same as (1) above.  |

8. *Contract Labour*:—Contract Labour will not be engaged in :—

- (a) work which is perennial and must go on from day to day ;
- (b) work which is incidental and necessary for the work of the factory ;

(c) work which is sufficient to employ a considerable number of whole time workmen;

(d) work which is being done in most concerns through regular workmen;

In respect of cases not falling under the above heads, if it is not possible to do away with the system of contract labour and contract labour has of necessity to be employed, all the terms and conditions of service of such contract labour should be on par with those prevailing in respect of regular workers.

9. *Discharge, dismissal, reinstatement etc.*—In all enquiries procedure under the Standing Orders should be followed. Even in cases where Standing Orders are not applicable, enquiries, should be conducted in such a way that principles of natural justice are not violated. In cases where there are registered Unions, the representative of the registered Unions should be allowed to defend the workman, who is a member of that Union.

Dismissals and Discharges should be resorted to only in extreme cases. In other cases, the punishment meted out should not be out of proportion to the gravity of the misconduct.

Intervention by the Industrial Relations Machinery is called for in cases where there has been failure to follow procedure under Standing Orders, or where there is material to sustain allegation of victimization, unfair labour practice etc.

10. *Acting allowance.*—Acting allowance should be granted to a workman who works continuously for 15 days or more in a higher post. The amount of such allowance will be the difference between his salary and the starting salary of the higher grade. If, however, his present salary is more than the starting salary of the higher grade then the difference between actual salary and the step in the next higher grade should be allowed as acting allowance.

11. *Cash allowance.*—(To those who are handling cash).

For Clerks Rs.—10 to 20 per month.

For Peons Rs.—5 per month.

12. *Cycle allowance.*—For Peons regularly doing outdoor work:—Rs. 7 per month.

13. *House rent allowance.*—For employees like scavengers employed in Municipalities the recommendations laid down by the Barve Committee may be the guiding factor.

14. *Holiday work allowance.*—

For doing work on a weekly off, wherever permissible by law.

50 per cent. of the total salary plus substitute weekly off.

For doing work on holidays.

Additional one total salary (No substitute.)

15. *Overtime allowance.*—

Overtime rate for hours worked in excess of normal hours of work but within the limit of statutory hours of work.

Normal rate of total salary.

Overtime rate for hours worked in excess of the statutory hours of work.

Double the rate of total salary.



16. *Unclean work allowance:—*

Corporations	..	..	Rs. 5 per month.
Borough and District Municipalities	..	..	Rs. 3 per month.
Others	..	..	Rs. 2 per month.

(N. B.—Existing position should not be adversely affected.)

17. *Washing allowance.* — Re. 1 per month for 2 sets of uniforms in cases where washing is not done at the company's expense.

18. *Superannuation age.*—The retirement age for workmen in all industries should be *sixty* years.

19. *Permanency of service and probation.*—The Model Standing Orders prescribed under the Bombay Industrial Employment ( Standing Orders ) Rules 1959 prescribe 3 months as the period of probation. The Committee, is of the view that in trades to which the Apprenticeship Act, 1961 does not apply and in which it is necessary to have a probationary period, 3 months' probation is sufficient.

20. *Promotion.* —Seniority should be counted for promotion unless the person concerned is unfit for the higher job.

21. *Transfers.* —The transfer from one station to another should be made only for *bonafide* business reasons and if the exigencies warrant such a transfer. However, the convenience of the employees have to be given due weight. The transfer should not bring about a prejudicial change in the terms and conditions of his service or curtail to any extent the existing benefits enjoyed by him. The remuneration and status of the person should not be affected adversely. In the case of inter-departmental transfers and inter-unit transfers in the same town also, the remuneration, status and other conditions of service should not be altered to the workman's prejudice.

22. *Uniforms* —The Recommendations of the Vyas Review Samiti may form the basis and the Committee, therefore, recommends the following Norms in respect of Safai Kamdars in Municipalities:—

(1) Two caps, two half pants, two shirts ( half sleeved ) every year to every male safai kamdar. Two blouses, two petticoats and two sarees every year to every female safai kamdar.

(2) One woollen jersey every three years to every safai kamdar.

In respect of other concerns, the Committee is of the view that uniforms should be given to peons, watchmen and also to other workers whose clothes are likely to be spoiled and damaged due to the nature of work and recommends the following :—

( ) One pair of cotton uniforms ( cap, full pant and coat ) per year to peons and watchmen.

(2) One woollen uniform ( cap, pant and coat ) once in three years, to peons and watchmen. Protective clothing should be on the lines of Factories Act.

## CHAPTER XI.

### CONCLUSIONS AND ACKNOWLEDGEMENT

The Committee had to suggest Norms after studying and analysing the settlements, agreements and awards made under the Industrial Disputes Act, 1947. The Committee has also considered the decisions of the Labour Appellate Tribunal, High Court and the Supreme Court, in appeal over the awards of the tribunals while making the recommendations.

It has been found that in some industries sufficient material is not available in the form of awards, settlements or agreements in respect of certain items which have formed the subject matter of disputes. The Committee, however felt that it would be more appropriate if the principles evolved in other industries were made use of for purposes of evolving norms even in such other industries instead of refraining from fixing any Norms.

The Committee has recommended Norms taking the entire State as a whole and not area-wise. It was considered that the differences in the conditions of service existing in the different areas would be adequately reflected in the emoluments obtaining there, which ultimately determine the monetary burden involved in conferring benefits such as paid leave, holidays with pay, provident fund and gratuity. Similarly, the Committee felt it desirable to have uniform set of Norms ( as far as possible ) for all industries and have recommended accordingly.

Norms have been suggested only in respect of matters for which sufficient material in the form of awards, settlements and agreements is available. On the question of bonus, the Committee has not recommended any Norms as it was felt that the matter would be gone into by the Bonus Commission, which has been appointed by the Government of India. Similarly, in respect of certain other matters also no Norms have been recommended either because the available material is insufficient or they are of a specific character applicable only to certain units or class of employees.

The Committee places on record its thanks to the various employers' organisations and to the managements of the industrial factories and establishments and also to the various unions and Central Organisations of labour employed therein for the co-operation extended by them during the hearings at the different centres and in the supply of information required. The Committee also records its gratitude to Shri D. K. Badheka, I. A. S., former Commissioner of Labour, Ahmedabad, and his successor Shri H. M. Joshi, I. A. S., for the help given to and the interest taken in the progress of the work of the Committee. The Committee was well served by its Secretary, Shri A. N. Rani not only during the preliminary stages but also at hearings and at the time of the drafting of the report his services were most valuable and the Committee desires to place on record its sense of appreciation of his services. The Committee also thanks the Superintendent Shri V. V. Patel and other members of the staff viz. Sarvashri G. H. Bhavsar H. P. Raval and R. S. Joshi for the arduous work put in by them in the matter of correspondence, compilation of relevant materials, typing and comparing of report, tables etc.

The Chairman thanks the members of the Committee for their co-operation in the difficult work of the Committee. But for their co-operation, it would not have been possible to achieve unanimity in making the recommendations.

ASHVINKUMAR VADILAL VYAS,  
Chairman.

KAMENDRA KARUNASHANKER TRIPATHI,  
Member.

NAVINCHANDRA MOTILAL BAROT,  
Member.

A. N. RAM,  
Secretary.

Ahmedabad, Dated 29th June 1963.



## APPENDIX I

*Norms Committee*  
Constitution of the

GOVERNMENT OF GUJARAT

## EDUCATION AND LABOUR DEPARTMENT

Resolution No. I. D. A.-1060-H,

Sachivalaya, Ahmedabad, dated the 20th January 1962.

RESOLUTION. —The Government of Gujarat is pleased to appoint a Committee called the Norms Committee consisting of the following persons for the purpose of evolving norms in respect of various matters which form the subject matter of industrial disputes between employers and workmen in specified industries :—

*Chairman*

Shri A. V. Vyas, Deputy Commissioner of Labour, Ahmedabad.

*Members ( Non-official )*

Shri Chandraprasad H. Desai, Representative of the Ahmedabad Mill Owners' Association, Ahmedabad.

Shri Navinchandra Motilal Barot, Representative of INTUC Gujarat Branch, Ahmedabad.

Shri A. N. Ram, Assistant Commissioner of Labour, Ahmedabad should work as Secretary of the Committee.

2. The terms of reference to the Committee should be to examine the settlements, agreements and awards made under the Industrial Disputes Act 1947 from 1st January 1953 to 31st December 1961, and then suggest norms in relation to various industrial matters, other than those relating to wages and Dearness Allowance which have formed subject matter of disputes in the industries listed below :—

- |                            |                                      |
|----------------------------|--------------------------------------|
| (1) Engineering            | (15) Printing Presses'               |
| (2) Chemical               | (16) Rubber'                         |
| (3) Match                  | (17) Hotels and Restaurants'         |
| (4) Oils                   | (18) Bidi                            |
| (5) Papers                 | (19) Cotton Ginning and Pressing     |
| (6) Local Authorities      | (20) Wood and Furniture              |
| (7) Hospitals              | (21) Stone Breaking and Stone        |
| (8) Leather and Tanneries' | Crushing                             |
| (9) Salt                   | (22) Shops and Commercial establish- |
| (10) Glass                 | ments                                |
| (11) Film                  | (23) Snuff                           |
| (12) Pharmaceuticals'      | (24) Potteries                       |
| (13) Paints and Varnishes  | (25) Cement                          |
| (14) Soaps'                |                                      |

3. The Committee should submit its report to Government within a period of six months from the date of this resolution.

4. The non-official members of the Committee should be held eligible to draw travelling allowance and daily allowance in accordance with the scale specified in Rule 1 (i) (b) in section I of the appendix XLII-A to the Bombay Civil Service Rules as amended from time to time. The Deputy Commissioner of Labour, Ahmedabad, should be the counter signing officer for Travelling Allowance bills of the non-official members of the Committee.

5. The local non-official members should be paid the actual expenses on conveyance upto a maximum of Rs. 3 per day.

6. The expenditure on this account should be debited to the budget head "46-Labour and Employment, B-Labour-B-7 Special Committees for inquiry" and met from the grants sanctioned thereunder during the year 1961—62.

By order and in the name of the Governor  
of Gujarat,

(Sd.) B. B. BRAHMBHATT,  
Deputy Secretary to the Government of Gujarat,  
Education and Labour Department.

## APPENDIX II

*Norms Committee*  
*Constitution of*

GOVERNMENT OF GUJARAT

### EDUCATION AND LABOUR DEPARTMENT

Resolution No. IDA-1060-H

Sachivalaya, Ahmedabad, dated the 3rd November 1962.

Government Resolution, Education and Labour Department, No. IDA-1060-H, dated the 20th January 1962 Endorsement No. CL/I/35786, dated the 14th September 1962 from the Commissioner of Labour, Ahmedabad.

**RESOLUTION.**—Government under Government Resolution, Education and Labour Department, No. IDA-1060-H, dated the 20th January 1962, has appointed a Committee for the purpose of evolving norms in respect of various matters which form the subject matter of industrial disputes between employers and workmen in 25 different industries. Shri C. H. Desai a non-official member on the Committee, has expressed his inability to work on the Committee. Government is, therefore, pleased to nominate Shri K. K. Tripathi, a representative of the Ahmedabad Millowners' Association Ahmedabad as a member *vice* Shri Desai resigned.

By order and in the name of the Governor  
of Gujarat,

(Sd.) P. J. DESAI,  
Under Secretary to Government.

**APPENDIX III***Norms Committee*  
Constitution of the

GOVERNMENT OF GUJARAT

**EDUCATION AND LABOUR DEPARTMENT**

Resolution No. IDA-1062-H

Sachivalaya, Ahmedabad, dated the 7th November 1962.

*Read.*— Government Resolution, Education and Labour Department No. IDA-1060-H, dated the 20th January 1962.

Letter No. CL/V/NC/26967, dated, the 4th August 1962 from the Commissioner of Labour, Ahmedabad.

**RESOLUTION.**— Government has appointed a Norms Committee under Government Resolution, Education and Labour Department No. IDA-1060-H; dated the 20th January 1962 for the purpose of evolving norms in respect of various matters which form the subject of industrial disputes between employers and workmen in various industries and the committee was required to submit its report within a period of six months. But the work could not be completed by the committee as it has to visit other places in the State to as-certain the views of employers and workmen in this respect. Government is therefore, pleased to accord sanction to the continuance of the said Norms Committee for a further period upto 28th February 1963.

2. The Committee should submit its report to Government by 28th February 1963 positively.

3. The expenditure on this account should be debited to the budget head “38-Labour and Employment-B. Labour-B-7 special Committees for Inquiry” and met from the provisions made thereunder during the current financial year.

4. This issues with the concurrence of the Assistant Financial Adviser's note, dated the 17th October 1962 on Education and Labour Department file No. IDA-1062/9970-H.

नमो भगवते वासुदेवाय

By order and in the name of the  
Governor of Gujarat,  
(Sd.) P. J. DESAI,  
Under Secretary to Government.

**APPENDIX IV***Norms Committee*  
Constitution of the

GOVERNMENT OF GUJARAT

**EDUCATION AND LABOUR DEPARTMENT**

Resolution No. IDA-1063-H

Sachivalaya, Ahmedabad, dated the 5th March 1963.

*Read.*— Government Resolution, Education and Labour Department, No. IDA-1060-H, dated the 20th January 1962.

Government Resolution, Education and Labour Department, No. IDA-1062-H, dated the 7th November 1962.

Letter No. CL/I/60841, dated the 9th January 1963 from the Commissioner of Labour, Ahmedabad.

**RESOLUTION.** — Government is pleased to accord sanction to the continuance of the Norms Committee appointed under G. R. Education and Labour Department, No. IDA-1060-H, dated the 20th January 1962 and last continued upto 28th February 1963, under G. R. Education and Labour Department No. IDA-1062-H, dated the 7th November 1962 for a further period upto 30th June 1963.

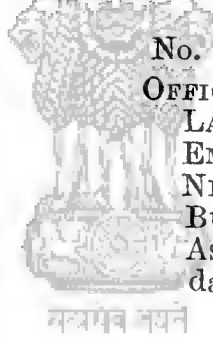
2. The expenditure on this account should be debited to the budget head "38-Labour and Employment-B-special committees for Inquiry" and met from the provision that will be retained in the next years budget.

3. The Committee should submit its report to Government by 30th June 1963 positively and no further extension will be granted.

4. This issues with the concurrence of the Assistant Financial Adviser's note, dated the 15th February 1963 on Education and Labour Department file No. IDA-1063/2918-H.

By order and in the name of the  
Governor of Gujarat,  
(Sd.) P. J. DESAI,  
Under Secretary to Government.

#### APPENDIX V



No. CL/V/NC/  
OFFICE OF THE COMMISSIONER OF  
LABOUR AND DIRECTOR OF  
EMPLOYMENT, GUJARAT STATE,  
NEW MENTAL HOSPITAL  
BUILDING, BLOCK No. 0/12,  
ASARWA, Ahmedabad-16,  
dated the

FROM

SHRI A. V. VYAS,  
Deputy Commissioner of Labour and Chairman, Norms Committee,  
Ahmedabad.

To

*Subject.* — Norms Committee  
Views of Employers and Employees.

Sir,

The Government of Gujarat in Education and Labour Department has by a resolution of the 20th January, 1962 constituted a Norms Committee for evolving Norms in respect of various industrial matters which have given rise to industrial disputes under the Industrial Disputes Act, 1948, between employers and workmen. The copy of the said Government Resolution is enclosed herewith for your information. The Committee now proposes to evolve Norms in respect of all industrial matters mentioned in the Schedule

attached. The Committee will be grateful if you will kindly supply the information in detail as required in the questionnaire for the period 1953 to 1961. You are also requested to give your views in the matter. The reply may please be sent on or before....

Yours faithfully,

(Sd.) A. V. VYAS,  
Deputy Commissioner of Labour and  
Chairman, Norms Committee,  
Ahmedabad.

No. CL/V/NC/  
OFFICE OF THE COMMISSIONER OF  
LABOUR AND DIRECTOR OF  
EMPLOYMENT, GUJARAT STATE,  
NEW MENTAL HOSPITAL  
BUILDING, BLOCK No. 0/12,  
ASARVA, Ahmedabad-16,  
dated the

FROM

SHRI A. V. VYAS,

Deputy Commissioner of Labour and Chairman, Norms Committee  
Ahmedabad.

TO

*Subject.* — Norms Committee  
Views of Employers and Employees.

Sir,

The Government of Gujarat in Education and Labour Department has by a Resolution of the 20th January, 1962 constituted a Norms Committee for evolving norms in respect of various industrial matters which form the subject matter of industrial disputes under the Industrial Disputes Act, 1947, between employers and workmen in specified industries.

The Norms Committee has decided to ascertain views of employers and employees in the matter and for that purpose a questionnaire along with the list of industrial matters have been issued to the Registered Factories and Trade Unions in respect of certain specified industries. However, in the case of establishments in ....., owing to the large number of establishments the Committee felt that it would not be possible to approach each and every individual employer and it decided to approach only associations of employers and employees. You are, therefore, requested kindly to supply the information in respect of items number 7 to 10 of the questionnaire enclosed herewith.

In Item No. 7, the general practice in respect of each of the industrial matter mentioned in the list prevailing at present in the establishments may kindly be stated in detail. As regards Item No. 8, the copies of Awards, Agreements and Settlements pertaining to your industry may please be supplied. You are also requested to give your views regarding fixation of norms in respect of industrial matters indicated in the list and other remarks regarding this enquiry.



After receiving the information from the employers and employees, the Committee proposes to visit some of the important centres to hold personal discussions with the representatives of employers and employees. The detailed programme of visits of the Committee would be sent to you later. You are, therefore, requested kindly to suggest names of your representatives in each area who can give evidence before the Committee.

An early reply will be very much appreciated.

Yours faithfully,

( Sd. ) A. V. VYAS,

Deputy Commissioner of Labour and  
Chairman, Norms Committee,  
Ahmedabad.

## ANNEXURES

*Norms Committee*

Constitution of the—

GOVERNMENT OF GUJARAT

## EDUCATION AND LABOUR DEPARTMENT

Resolution No. IDA-1060-H

Sachivalaya, Ahmedabad dated the 20th January, 1962.

**RESOLUTION.**—The Government of Gujarat is pleased to appoint a Committee called the Norms Committee consisting of the following persons for the purpose of evolving norms in respect of various matters which form the subject matter of industrial disputes between employers and Workmen in specified industries :—

### *Chairman*

Shri A. V. Vyas, Deputy Commissioner of Labour, Ahmedabad.

### *Members ( Non-official )*

Shri Chandraprasad H. Desai, Representative of the Ahmedabad Mill Owners' Association, Ahmedabad.

Shri Navinchandra Motilal Barot, Representative of INTUC Gujarat Branch, Ahmedabad.

Shri A. N. Ram, Assistant Commissioner of Labour, Ahmedabad, should work as Secretary of the Committee.

2. The terms of reference to the Committee should be to examine the settlements, agreements and awards made under the Industrial Disputes Act, 1947 from 1st January 1953 to 31st December 1961, and then suggest norms in relation to various industrial matters, other than those relating to

wages and Dearness Allowance which have formed subject matter of disputes in the industries listed below :—

- |                           |  |
|---------------------------|--|
| (1) Engineering           | (15) Printing Presses                    |
| (2) Chemical              | (16) Rubber                              |
| (3) Match                 | (17) Hotels and Restaurants              |
| (4) Oils                  | (18) Bidi                                |
| (5) Papers                | (19) Cotton Ginning and Pressing         |
| (6) Local Authorities     | (20) Wood and Furniture                  |
| (7) Hospitals             | (21) Stone Breaking and Stone Crushing   |
| (8) Leather and Tanneries | (22) Shops and Commercial establishments |
| (9) Salt                  | (23) Snuff                               |
| (10) Glass                | (24) Potteries                           |
| (11) Film                 | (25) Cement                              |
| (12) Pharmaceuticals      |  |
| (13) Paints and Varnishes |  |
| (14) Soaps                |  |

3. The Committee should submit its report to Government within a period of six months from the date of this resolution.

4. The non-official members of the Committee should be held eligible to draw travelling allowance and daily allowance in accordance with the scale specified in rule 1 (i) (b) in section 1 of the Appendix XLII-A to the Bombay Civil Service Rules as amended from time to time. The Deputy Commissioner of Labour, Ahmedabad, should be the countersigning officer for Travelling Allowance bills of the non-official members of the Committee.

5. The local non-official members should be paid the actual expenses on conveyance upto a maximum of Rs. 3 per day.

6. The expenditure on this account should be debited to the budget head "46-Labour and Employment B-Labour-B-7-Special Committees for inquiry" and met from the grants sanctioned thereunder during the year 1961-62.

By order and in the name of the Governor of Gujarat,  
(Sd.) B. B. BRAHMBHATT,

Deputy Secretary to the Government of Gujarat,  
Education and Labour Department.

#### GOVERNMENT OF GUJARAT NORMS COMMITTEE

( Appointed by Government of Gujarat by resolution, Education and Labour Department No. IDA-1060-H, dated 20th January 1962. )

#### QUESTIONNAIRE ( For Employers )

- |                               |    |    |
|-------------------------------|----|----|
| 1. Name of the Concern        | .. | .. |
| 2. Address                    | .. | .. |
| 3. Year of Establishment      | .. | .. |
| 4. Number of Workmen          | .. | .. |
| (a) Manual                    | .. | .. |
| (b) Clerical                  | .. | .. |
| (c) Technical and Supervisory |    |    |
| (d) Others                    | .. | .. |

5. (a) Industry to which the Concern belongs.
  - (b) Give the short nature of industry carried on.
  6. Are you a member of any of the Association of Employers ? If so, please state the name and address of the same.
  7. Please give detailed information about present condition in respect of industrial matters.
  8. Please give details of the agreements under section 2(p), Settlements and Awards ( including other agreements and private arbitration awards ) in respect of your concern during the years 1953 to 1961.
- Please also supply a copy of each of the agreements and settlements and also of awards not published in the Gazette. In case of published awards please give the date and page No. of relevant Government Gazette.
9. Please also give your views regarding fixation of norms in respect of industrial matters included in the list attached herewith and other remarks regarding this enquiry.
  10. Please state if you have any objection if the information supplied by you in response to this questionnaire is incorporated in the report of the Norms Committee.

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GOVERNMENT OF GUJARAT  
NORMS COMMITTEE

( Appointed by Government of Gujarat by resolution, Education and Labour Department No. IDA-1060-H, dated 20th January, 1962. )

QUESTIONNAIRE

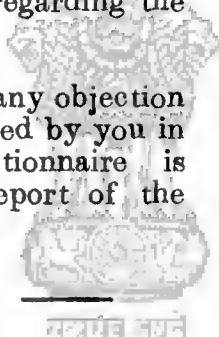
( For Trade Unions )

1. Name of the Union (with address )
2. Registration Number    ..    ..
3. Nature of Industry or Industries with which the Union is connected.
4. Latest membership    ..    ..

5. Name and address of the Central Organisation to which your Union is affiliated.
6. Please give detailed information about present condition in respect of industrial matters.
7. Please give details of Agreements under section 2(p), Settlements, Awards (including any other agreements and private arbitration awards) concerning your members during the years 1953 to 1961.

(Please also supply a copy of each of the Agreements and Settlements and also of Awards not published in the Gazette. In case of published Awards please give the date and page No. of relevant Government Gazette.)

8. Please also give your views relating to fixation of Norms in respect of items indicated in the list attached herewith and any other remarks regarding the enquiry.
9. Please state if you have any objection if the information supplied by you in response to this questionnaire is incorporated in the Report of the Committee.



#### LIST OF INDUSTRIAL MATTERS

##### *A. Allowances and other related matters*

- |                                  |                            |
|----------------------------------|----------------------------|
| 1. Acting allowance              | 15. Climate allowance      |
| 2. Attendance allowance          | 16. Duty allowance         |
| 3. Bhatta allowance              | 17. Discomfort allowance   |
| 4. Boarding allowance            | 18. Daily allowance        |
| 5. Cash-cum-risk allowance       | 19. Extra Show allowance   |
| 6. Cash handling allowance       | 20. Extra work allowance   |
| 7. City allowance                | 21. Emergency allowance    |
| 8. Compensatory allowance        | 22. Food allowance         |
| 9. Conveyance allowance          | 23. Fire risk allowance    |
| 10. Cycle allowance              | 24. Factory allowance      |
| 11. Corporation allowance        | 25. Grain allowance        |
| 12. Cigarette allowance          | 26. Gas allowance          |
| 13. Comptist allowance           | 27. Holiday work allowance |
| 14. Children Education allowance | 28. House rent allowance   |

29. Heavy work allowance
30. Heat allowance
31. Health allowance
32. Injury allowance
33. Leave travelling allowance
34. Machine allowance
35. Milk allowance
36. Meter reading allowance
37. Messing allowance
38. Night shift allowance
39. Officiating allowance
40. Out door allowance
41. Out station allowance
42. Overtime allowance
43. Part-time allowance
44. Retention allowance
45. Refreshment allowance
46. Subsistence allowance
47. Special allowance
48. Strike allowance
49. Sukhadi allowance
50. Shift allowance
51. Tea allowance
52. Tiffin (Lunch) allowance
53. Travelling allowance
54. Unclean work allowance
55. Uniform allowance
56. Unemployment allowance
57. Washing allowance

*B. Holidays and other related matters*

1. Bank holidays
2. Compensatory holidays
3. Festival holidays
4. Half holidays
5. International holidays
6. National holidays
7. Paid holidays
8. Special holidays
9. Sectional holidays
10. Weekly holidays

*C. Hours of work and other related matters*

1. Grace time
2. Hours of work on week days
3. Hours of work on Saturdays
4. Hours of work in shifts
5. Recess time

*D. Leave and other related matters*

1. Accident leave
2. Casual leave
3. Compensatory leave
4. Injury leave
5. Leave Rules
6. Leave with wages
7. Maternity leave
8. Privilege leave
9. Sick leave
10. Study leave
11. Unpaid leave
12. Vacation leave

*E. Retirement benefit and other related matters*

1. Charity Fund
2. Gratuity
3. Gift on retirement
4. Insurance Scheme
5. Long service benefit
6. Labour Fund
7. Pension
8. Provident Fund

*F. Bonus (of all sorts)*

*G. Condition of Employment and other related matters*

1. Absorption of apprentices
2. Age limit for retirement
3. Attendance cards
4. Classification of workmen
5. Contract system of work

- |   |   |
|---|---|
| 6. Confirmation of workmen                            | 8. Library for workmen                        |
| 7. Change from daily or hourly rated to monthly rated | 9. Medical aid                                |
| 8. Change in designation                              | 10. Place for keeping uniforms                |
| 9. Continuity of service                              | 11. Provision for electric light              |
| 10. Change in shifts                                  | 12. Provision of cycle                        |
| 11. Disciplinary action-procedure for the             | 13. Rest rooms                                |
| 12. Formation of Committees                           | 14. Rest shelters                             |
| 13. Lien on jobs                                      | 15. Recreation Club                           |
| 14. Pali system                                       | 16. Supply of woollen coats                   |
| 15. Promotions  | 17. Sports club and other physical activities |
| 16. Priority in service to ex-employees               | 18. Supply of milk, tea, breakfast etc.       |
| 17. Probationary period                               | 19. Supply of oil and firewood                |
| 18. Recruitment (including new recruits)              | 20. Supply of Umbrella                        |
| 19. Retrenchment according to juniority               | 21. Supply of rain coat                       |
| 20. Standardization of muster                         | 22. Supply of gumboots                        |
| 21. Service records                                   | 23. Supply of overcoats                       |
| 22. Service Rules                                     | 24. Supply of lantern or torch                |
| 23. Standing Orders                                   | 25. Supply of spectacles                      |
| 24. Seniority list                                    | 26. Supply of soap                            |
| 25. Security of service                               | 27. Supply of uniforms                        |
| 26. Scheme of registered workers                      | 28. Tiffin rooms                              |
| 27. Service conditions of apprentices                 | 29. Transport facilities                      |
| 28. Transfer  | 30. Water supply                              |
| 29. Wage slips  |   |
| 30. Welfare provisions                                |   |
| 31. Work according to designation                     |   |

#### *H. Social and Personal Amenities*

- |  |   |
|--|---|
| 1. Adult education (whether any regular classes are conducted) | 1. Additional remuneration to workers                           |
| 2. Bathrooms and washing places                                | 2. Advance Kharchi  |
| 3. Canteen for workers   | 3. Allotment of work  |
| 4. Co-operative Credit Society for workers                     | 4. Chandla (gift on occasion of marriage ceremony etc.)         |
| 5. Drinking water  | 5. Compensation for retrenchment lay-offs, closures and strikes |
| 6. Education for children                                      | 6. Conciliation machinery in the factories                      |
| 7. Housing accommodation                                       | 7. Company's product at concession rate                         |
|  | 8. Curtailment of facilities enjoyed by the worker              |
|  | 9. Facilities to the union for holding the meetings             |
|  | 10. Forced Labour   |
|  | 11. Grain shop  |
|  | 12. Granting of loans   |

#### *I. Miscellaneous*

- |   |  |
|---|--|
| 13. Introduction of new changes with the consultation of unions | 20. Supply of copies of notices to the union |
| 14. Justification of closure                                    | 21. Staff Commission                         |
| 15. Marking presence during hours of work                       | 22. Supply of implements required for work   |
| 16. Month's notice  | 23. Union shop                               |
| 17. Recognition of union  | 24. Unpaid wages, utilisation                |
| 18. Refund of fines   | 25. Victimization                            |
| 19. Selling Commission  | 26. Works Committee                          |
|   | 27. Withdrawal of reference from tribunal    |



सत्यमेव जयते

# APPENDIX VI LEAVE

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave		
1	2	3	4	5	6	7	8	9	
A									
1	Ahmedabad General Engineering Works, Ahmedabad.	Workmen	Ahmedabad	7 days with full wages.	..	5 days with full wages Acc. 15 days.	..	Settlement, dated 28th April 1960 (C. No. 17 of 1960)	
2	Ahmedabad Victoria Iron Works Co. Ltd., Ahmedabad.	Workmen	Ahmedabad	7 days with full wages.	..	7 days with wages. Acc. 14 days.	..	(IT) No. 135 of 1958, Award, dated 18th November 1957. (Un-published).	
3	Ambica Metal Works, Ahmedabad.	Workmen	Ahmedabad	7 days with wages.	..	..	..	Settlement, dated 10th February 1958. (C. No. 178 of 1957).	
4	Ashok Brothers (Engineering) Ahmedabad.	Workmen	Ahmedabad	7 days with wages.	..	7 days with wages. Acc. 21 days.	..	Settlement, dated 18th July 1958. (C. No. 86 of 1958).	
5	Associated Motors Ltd., Ahmedabad.	Workmen	Ahmedabad	5 days with full pay. As per Factories Act, 1948.	..	7 days with half pay.	..	Settlement, dated 23rd November 1954. (C. No. 1089 of 1954).	
6	Amrit Chemical, Ahmedabad.	Workmen	Ahmedabad	5 days with wages and D. A.	..	..	..	Settlement, dated 12th July 1960. (C. No. 98 of 1959).	
7	Anil Starch Products Ltd., Ahmedabad.	Workmen	Ahmedabad	7 days with full wages and Dearness Allowance.	..	7 days with pay Acc. 21 days.	..	(IT) No. 147 of 1958, Bombay Government Gazette Part I-L, dated 5th August 1954, P. 2024.	
8	Ambica Vijay Oil Mills.	Workmen	Baroda	5 days	..	5 days—Acc. 15 days	..	(IT) No. 112 of 1958, dated 5th March, 1959, Bombay Government Gazette Part I-L P. 959.	



9 Ankleshwar Municipality, Ankleshwar.	Safai Kamdars	Akleshwar	Same C. L., P. L. & S. L. as enjoyed by the other employees of the municipality.	Maternity Leave of 8 weeks for female workers.	(IT) No. 151 of 1956, <i>Bombay Gazette</i> Part I-L, dated 28th March 1957, Page 1731.
10 Arvind, Ashok and Aruna Mills Hospital, Ahmedabad.	All Staff	Ahmedabad.	7 days with full pay D. A.	15 days with half pay and D. A. Acc. 90 days.	Settlement, dated 26th September 1956. (C. No. 119 of 1956)
11 Arvind, Ashok and Aruna Mills Hospital, Ahmedabad.	Workmen	Ahmedabad.	7 days with full pay D. A.	..	Settlement, dated 26th September, 1958.
12 Ahmedabad Pickers Works.	Workmen	Ahmedabad.	5 days	..	Settlement, dated 24th August 1959, (C. No. 61 of 1959).
13 Allied Textile Leather Industries, Ahmedabad.	Workmen	Ahmedabad.	7 days with wages	..	Settlement, dated 21st September 1961 (C. No. 142 of 1961).
14 Alembic Glass Industries	Workmen	Baroda	7 days (paid)	..	(IT) No. 203 of 1957, Award, dated 27th August 1958 (Unpu. li. hed.).
15 Alembic Glass Industries Ltd.	All Staff Members.	Baroda	..	..	(IT) No. 73 of 1960, <i>Gujarat Government Gazette</i> Part-I-L, dated 12th October 1961, page 2380-81).
16 Advance Talkies	Workmen	Ahmedabad.	7 days with wages	..	Reference (IT) No. 12(i) and (ii) of 1954 <i>Bombay Government Gazette</i> , Part I-L, dated 17th March, 1955, Page 812.
17 Ashok Talkies	Workmen	Ahmedabad.	7 days with wages	..	(IT) No. 12(i) and (ii) of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 17th March, 1955, Page 812.
18 Alembic Chemical Works, Co. Ltd.,	Workmen	Baroda	7 days with full pay and D. A.	16 days with full pay and D. A. Acc. 32 days.	Settlement, dated 11th January, 1956.

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave				Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave	
1	2	3	4	5	6	7	8	9
19	Alembic Chemical Works Co. Ltd.	Workmen (Other than Staff Members)	Baroda	7 days with full pay and D. A.	..	7 days. with full pay and D. A. Acc. 21 days.	..	(IT) No. 213 of 1957 <i>Bombay Government Gazette Part I-L</i> , dated 23th September, 1958, page 4597.
20	Alembic Chemical Works Co. Ltd.	Staff Members	Baroda	..	16 days per year if completed 3 years of service. 22 days per year if completed 9 years of service. Thereafter 1 month for every 11 months' service. Acc. 3 years' leave.	15 days with full pay and D. A. Acc. 45 days	..	(IT) No. 227 of 1959, <i>Bombay Government Gazette Part I-L</i> , dated 21st April 1960, Page 1490-92
21	Aditya Mudranalaya	Workmen	Ahmedabad.	5 days	..	5 days. Acc. 20 days	..	(IT) No. 227 of 1959, <i>Bombay Government Gazette Part I-L</i> , dated 21st April 1960, page 1490-92.
22	Aditya Mudranalaya	Workmen	Ahmedabad.	7 days	..	7 days. Acc. 21 days	..	(IT) No. 52 of 1958, <i>Bombay Government Gazette Part I-L</i> , dated 17th December, 1959, page 5512.
23	Ajay Printery Pvt. Ltd.	Workmen	Ahmedabad.	4 days with full wages.	..	5 days with full wages. Acc. 15 days	..	(IT) No. 43 & 56 of 1959 Award, dated 19th January 1960. (Unpublished)

24	Anand Press	..	Workmen	Anand	..	As per Factories Act, 1948.	After 20 years of unbroken service- 1 month with pay and 1 month with half pay. Varying from 8 days on half-pay to one month on full-pay depending on length of service (Once only).	..	(IT) No. 402 of 1958, <i>Bombay Government Gazette</i> Part I-L, dated 3rd September 1959, page 3864.
25	Ambica Mills No. 3 Co-operative Consumers Society (Canteen).	..	Workmen	Baroda	..	As per Factories Act, 1948.	..	..	Settlement dated 22nd November 1956 (C.No. 115/A of 1956.)
26	Anand Niwas Guest House ..	..	Workmen	Ahmedabad	7 days with wages	..	7 days with wages. Acc. 21 days.	..	(IT) No. 39 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 27th September, 1956. page 3529.
27	Arvind Mills Co-operative Supply Society Ltd.	..	Workmen of Canteen.	Ahmedabad	7 days.	..	7 days. Acc. 21 days.	..	(IT) No. 60 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 22nd October 1959, page 4703.
28	Arvind Mills Co-operative Supply Society Ltd.	..	All workmen	Ahmedabad	7 days with full wages and D. A.	..	7 days with full wages and D. A. Acc. 21 days.	..	(IT) No. 60 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 9th October 1958, page 4839.
29	Ashok Niwas Bhojanalaya ..	..	Workmen	Ahmedabad	7 days with full pay	..	7 days with wages, Acc. 21 days.	..	(IT-A) No. 2 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 20th October 1955, page 3213-14.
30	Aryan Bobbin Industries ..	..	Workmen	Bulsar	..	..	3 days. Acc. 3 days.	..	Settlement dated 3rd June 1961, (C. No 205 of 1960).
31	Asawa Bobbin Works ..	..	Workmen	Ahmedabad	7 days wages are given instead of leave.	As per Factories Act, 1948.	7 days with full wages. Acc. 14 days	..	(IT) No. 199 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 25th April 1957, page 1962.

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave				Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave	
1	2	3	4	5	6	7	8	9
32	Alcock Cement pipe and concrete Works.	Workmen	Ahmedabad	5 days with full wages	..	5 days with full wages. Acc. 15 days	15 days leave without wages. Acc. 30 days.	Settlement, dated 1st April 1960 (C. No. 170 of 1959).
33	Associated Cement Companies	Workmen	Porbandar	7 days	1 month	21 days.	This is the present practice. ( )	ADJ No. 2 of 1953, Award, dated 15th September 1954, (Unpublished).
34	Associated Cement Companies (Daily rated)	Workmen	Porbandar	6 days	..	14 days. Acc. 42 days	..	(IT) No. 2 of 1953, Award dated 15th September 1954, (Unpublished).
35	Associated Cement Companies	Daily rated workmen	Sevalia	7 days	..	15 days.	..	Settlement, dated 22nd May, 1956, (C. No. 187 of 1955).
1	Baroda Rolling Mills Pvt. Ltd.,	Workmen	Baroda	5 days with pay	..	10 days with half pay or 5 days with full pay. Acc. 30 days with half pay or 15 days with full pay.	..	(IT) No. 217 of 1958, Bombay Government Gazette, Part I-1, dated 16th October 1958, page-4950.
2	Bharat Industries	..	Ahmedabad	7 days fully paid	..	5 days fully paid. Acc. 15 days.	..	(IT) No. 41 of 1959 Award, dated 18th February 1960, (Unpublished).
3	Bharat Iron and Brass Foundries,	Workmen	Ahmedabad	7 days paid	..	7 days paid. Acc. 21 days.	..	(IT) No. 63 of 1958, Award, dated 30th September 1958, (Unpublished).

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4	Bharat Textile Works	..	Workmen	Ahmedabad	7 days with wages	..	7 days with pay	..	Settlement, dated 3rd June 1957. (C No. 152 of 1956).
5	Bhogilal Jethalal & Brothers	Workmen	Workmen	Ahmedabad	7 days paid	..	7 days paid Acc. 21 days.	..	(IT) No. 64 of 1958. Award. dated 29th September 1958. (Un. published).
6	Bombay Garage, Ahmedabad	(a) Officers and Dept. Heads (b) Asst Foremen, Supervisors and clerks (c) Workshop staff, F. ons, Drivers and others.	Workmen	Ahmedabad	10 days with pay	1 month with pay	15 days with pay	..	Settlement, dated 3rd November 1954.
7	Bhavsar chemical Works	..	Workmen	Vyara	10 days with pay	21 days with pay	15 days with pay	..	
					10 days with pay	15 days with pay.	8 days with pay.	..	
					..	ACC. 30 days.	ACC. 16 days.	..	
					..	..	5 days with pay.	..	Settlement, dated 23rd October 1956, (C No. 167 of 1956).
8	Baroda Board and Paper Mills Ltd.	Workmen	Workmen	Ahmedabad	7 days.	..	7 days Acc. 21 days.	..	(IT) No. 54 of 1958 Bombay Government Gazette Part I-L, dated 18th September 1958, page 4485.
9	Babra Municipality	..	Safai kamdars	Babra	15 days with wages	1 month with wages	..	Maternity Leave of 4 weeks.	Agreement, dated 18th October 1961.
10	Baroda Borough Municipality	..	Safai Kamdars (female)	Baroda	..	..	..	Maternity Leave of 6 weeks with full wages, and D. A.	Settlement, dated 15th April 1959 (C. No. 29 of 1958).
11	Baroda Borough Municipality	..	Safai Kamdars (female)	Baroda	..	..	..	Maternity Leave of 4 weeks with pay According to Harijan Awards.	Settlement, dated 22nd May 1956.
12	Balasinar Municipality	..	Safai Kamdars	Balasinar	15 days with full pay and D. A.	30 days with full pay and D. A.	..	Maternity Leave as per Bombay Maternity Benefit Act, 1929.	(IT) No. 150 of 1953 Bombay Government Gazette, Part I-L, dated 27th May 1954, Page 1323.
13	Bhadran Municipality	..	Safai Kamdars	Bhadran	All Leave shall be given as per B. C. S. R. (as granted to the other staff members of the Municipality).				Settlement, dated 4th March 1958, (C. No. 22 of 1958).

APPENDIX VI—contd.

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Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave		
1	2	3	4	5	6	7	8	9	
14	Bhavnagar Borough Municipality	All workmen of road section.	Bhavnagar	—	30 days, Acc. 90 days	..	Maternity Leave of 1 month.	(IT) No. 37 of 1956 <i>Bombay Government Gazette</i> , Part I-L, dated 16th May 1957, Page 2382.	
15	Bilimora Municipality	.. Workmen	Bilimora	Existing practice of 15 days with pay to continue.	15 days for 11 month's service with pay, Acc. 30 days.	..	Maternity Leave of 4 weeks with pay.	Settlement, dated 30th April 1958,	
16	Bhavnagar Borough Municipality.	Female Workmen	Bhavnagar	—	..	..	Maternity Leave of 42 days with wages.	Settlement, dated 31st August 1957.	
17	Bantwa Municipality	.. Workmen	Bantwa	As per recommendations of Vyas Review Samiti					Settlement, dated 23rd July 1957.
18	Bharat Leather Co.	.. Workmen	Ahmedabad	7 days with wages	—	7 days with wages, Acc. 21 days.	..	Settlement, dated 5th September 1958, (C. No. 59 of 1958);	
19	Botad Quarry Works	.. Drivers and Cleaners.	Botad	—	15 days with pay	..	..	Settlement, dated 11th January 1956.	
20	Bombay Hotels, Air-port catering, B. J. Medical College, Refectory, Kailas Cafe.	.. Workmen	Ahmedabad	7 days	..	7 days, A. c. 21 days	..	Settlement, dated 15th December 1954, (C. No. 1078 of 1954).	
21	Bharat Bobbin Ltd.	.. Workmen	Ahmedabad	—	—	7 days, Acc. 14 days	..	Settlement, dated 15th May 1957, (C. No. 9 of 1957).	
22	Bhavnagar Vegetable Prod...	.. Workmen	Bhavnagar	4 days	—	..	..	Settlement, dated 4th July 1958.	

23	Bharat Vijay Mills Employees Co-operative Credit Society Ltd.	Workmen of Canteen.	Kalol	..	As per Factories Act, 1948.	..	Settlement, dated 10th June 1955. (C. No. 151 of 1955).
<b>C</b>							
1	Chhotaudepur Municipality	Workmen(Safai Kamdars).	Chhotaudepur.	15 days with wages	15 days with wages, Acc. 45 days.	..	Maternity, Leave' shall be 4 weeks extended upto 6 weeks.
2	Chuda Municipality	.. Female workers	Chuda	..	..	..	Maternity Leave, 1 month with pay. Settlement, dated 4th May 1956.
3	Chandabhai Brothers & Co...	Workmen	Ahmedabad.	7 days with wages	7 days with wages, Acc. 21 days.	..	Settlement, dated 26th August 1958.
4	Cinema-D-France	.. Workmen	Ahmedabad	7 days with wages	7 days with wages, Acc. 21 days.	..	Reference (IT-G) No. 12 (i) & (ii) of 1954, Bombay Government Gazette, Part I-L, dated 17th March 1955, P. 812.
5	Central Talkies	.. Workmen	Ahmedabad	7 days with wages	7 days with wages, Acc. 21 days.	..	Do.
6	Chandra Vilas Hindu Hotel..	Workmen	Ahmedabad	7 days with wages and D. A.	7 days with wages and D. A. Acc. 21, days.	..	(IT-B) No. 15 of 1953 Bombay Government Gazette, Part I-L, 29th July 1954, P. 1954.
7	Chandra Vilas Hindu Hotel..	Workmen	Ahmedabad	7 days with full wages.	7 days with full wages.	..	(IT) No. 124 of 1957 Award, dated 18th October 1957 (Unpublished).
8	City Restaurant	.. Workmen	Ahmedabad	7 days with full wages.	7 days with wages, Acc. 21 days.	..	(IT-A) No. 5 of 1955, Bombay Government Gazette, Part I-L, dated, 12th April 1956, P.1204.
9	Contractor Vala Uga C/o., Sevalia Cement Works.	Workmen	Sevalia	Leave with wages shall be given as per Factories Act, 1948 and practice in the factory.			Settlement, dated 15th June 1956 (No. 85 of 1956).
<b>D</b>							
1	Dalpatram Factory.	Workmen	Ahmedabad	7 days with pay	7 days with pay, Acc. 21 days.	..	Settlement, dated 14th October 1958.
2	Damodardas Himatlal Iron and Brass Factory.	Workmen	Ahmedabad	7 days fully paid		..	Settlement, dated 17th September 1957.

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave				Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave	
1	2	3	4	5	6	7	8	9
3	Dinubhai G. Desai & Co.	.. Workmen	Ahmednagar	7 days paid	..	7 days with pay. Acc. 21 days.	..	Settlement, dated 30th September 1957.
4	Dabhoi Municipality	.. Workmen	Dabhoi	12 days with pay	12 days with pay, Acc. 24 days.	12 days with pay.	Maternity Leave according to Bombay Maternity Benefit Act, 1929.	(IT) No. 96 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 17th January 1957, P. 291.
5	Dehgam Municipality	.. Workmen	Dehgam	..	As per B. C. S. Rules	..	As per Bombay Maternity Benefit Act, 1929.	Settlement, dated 30th October 1954.
6	Dhoraji Saher Sudhrai	.. Women Workmen (Sweepers and scavengers)	Dhoraji	..	15 days	..	Maternity Leave, 1 month's with full wages.	(IT) No. 79 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 30th October 1958, P. 5265.
7	Dhrangadhra Municipality	.. Workmen	Dhrangadhra	..	..	As per Bombay Civil Service Rules.	..	(IT-G) No. 1 of 1960, <i>Bombay Government Gazette</i> , Part I-L, 22nd June 1961, P. 1515.
8	Dharampur Leather Co. Pvt., Ltd.	Cloth Workmen	Dharampur	7 days.	..	..	..	(IT) No. 410 of 1958-Award, dated 21st February 1959, (Unpublished).
9	Dehgam Municipality	.. Safai Kamdar.	Dehgam	15 days.	15 days	15 days on half average pay. 1929.	Maternity Leave as per the Bombay Maternity Benefit Act, 1929.	Settlement, dated 14th April 1960, (C. No. 69 of 1959).



## E

1	English Talkies	..	Workmen	Ahmedabad	7 days with wages	..	7 days with wages, Acc. 21 days.	..	(IT) No. 57 of 1958 Award, dated 29th September 1958 (Unpublished).
2	Eastern Stores Co.	..	Workmen	Ahmedabad	6 days with half wages.	15 days with full pay, Acc. 30 days.	10 days with half wages, Acc. 2 months.	..	Settlement, dated 23rd November 1954 (C. No. 178 of 1954).

## F

1	Forge and Blower & Co.	..	Workmen	Ahmedabad	7 days	..	..	..	(IT) No. 3 of 1955, Bombay Government Gazette, Part I-L, dated 9th June 1955, P. 1676.
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## G

1	Gajjar Robbin Ring Works, and Ghanshyam Metal Rolling Works.	..	Workmen	Ahmedabad	5 days	..	..	..	Settlement, dated 2nd September 1959.
2	Gujarat Engineering Co.	..	Workmen	Ahmedabad	7 days	As prescribed in the Factories Act, 1948.	15 days with full pay, Acc. 3 months.	..	(IT) No. 218 of 1958, Bombay Government Gazette, Part I-L, dated 17th September 1959, P. 4096.
3	Glue Products Pvt. Ltd.	..	Workmen	Cambay	5 days with pay	..	5 days with full wages.	..	Settlement, dated 10th September 1960, (C. No. 158 of 1960).
4	Gujarat Oil Mill & Mfg. Co. Ltd.	..	Workmen	Ahmedabad	..	As per Factories Act, 1948.	7 days paid	..	Settlement, dated 15th December 1954, (C. No. 1063 of 1954).
5	Gujarat Paper Mills	..	Workmen	Barejadi	5 days	do.	7 days, Acc. : 21 days.	..	(IT) No. 174 of 1959, Bombay Government Gazette, Part I-L, dated 30th November 1961, P. 2858.
6	Gujarat Paper Mills	..	Workmen	Barejadi	5 days	..	..	..	(IT) No. 49 of 1957 Award, dated 27th August 1957, (Unpublished).

APPENDIX VI—*contd.*

Sr. No	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave		
1	2	3	4	5	6	7	8	9	
7	Gandevi Municipality	.. Workmen	Gandevi	10 days with pay	As per Settlement, dated 24th December 1954. (i. e. 15 days).	..	..	Settlement, dated 11th July 1957.	
8	Gandevi Municipality	.. Workmen	Gandevi	..	15 days.	..	28 days Maternity leave with full wages and D. A.	Settlement, dated 24th December 1954.	
9	Gandevi Municipality	.. Safai Kamdar	Gandevi	10 days with pay	15 days	10 days with pay	..	Settlement, dated 18th October 1961 (C. No. 154 of 1960).	
10	Gondal Municipality	.. Workmen	Gondal	7 days	15 days	7 days	Maternity Leave of 1 months	(IT) No. 11 of 1960, Bombay Government Gazette Part I-L, dated 24th November 1960, P. 861.	
11	Gulabhai General Hospital	Workmen	Ahmedabad	5 days with full wages.	14 days with full wages. Acc. 28 days.	5 days with full wages.	Maternity Leave for 4 weeks with full wages.	Settlement, dated 18th April 1960, (C. No. 37 of 1960).	
12	Graduate Pickers Works	.. Workmen	Ahmedabad	5 days with wages	..	5 days with wages, Acc. 15 days.	..	Settlement, dated 30th March 1959, (C. No. 25 of 1959).	
13	Gati Prakashan Ltd.	.. Workmen	Ahmedabad	..	..	7 days with full pay, Acc. 43 days.	..	(IT) No. 119 of 1954, Bombay Government Gazette Part I-L, 14th October 1954, P. 2810.	
14	Geeta Dharma Press	.. Workmen	Ahmedabad	7 days with wages	..	7 days with wages, Acc. 21 days.	..	(IT) No. 124 of 1955, Bombay Government Gazette Part I-L, dated 27th September 1956, P. 3546.	

15	Gujarat Rubber Works, Ltd.	Workmen (Other than Clerks).	Baroda	7 days with half wages and half D.A.	..	7 days with half pay and half D. A.	..	(IT) No. 167 of 1954, <i>Bombay Government Gazette</i> Part I-L, dated 26th May 1955, P. 1486. Settlement, dated 9th February 1957 (C. No. 79 of 1956).
16	Gujarat Rubber Works, Ltd.	Workmen	Baroda	7 days with full pay and D. A.	15 days with full pay and D.A. Acc. 45 days.	8 days with full pay and D.A. Acc. 40 days.	..	
17	Gujarat Hindu Hotel & Lodge	Workmen	Ahmedabad	7 days with full wages.	..	7 days with full wages, Acc. 21 days.	..	(IT) No. 2 of 1956, <i>Bombay Government Gazette</i> Part I-L, dated 29th November 1956, P. 4710.
18	Gujarat Cement Pipe Co. ..	Workmen	Ahmedabad	5 days with full wages.	..	5 days with full wages, Acc. 15 days.	..	Settlement, dated 29th November 1960, (C. No. 88 of 1960).
19	Gum Products (India) ..	Workmen	Ahmedabad	7 days	..	..	..	Settlement, dated 28th November 1961, (C. No. 61 of 1961).
1	Himatnagar Municipality ..	Male and Female workers.	Himatnagar	C. L. and P. L. As per Municipal Rules.	..	..	..	Settlement, dated 21st December 1953, (C. No. 77 of 1953).
2	Hide and Leather Pvt. Ltd.	Workmen	Palanpur	7 days	As per Factories Act, 1948.	7 days, Acc. 21 days	..	Settlement, dated 11th October 1961, (C. No. 85 of 1961).
3	H. Mansuri and Sons ..	Workmen	Ahmedabad	5 days	..	5 days, Acc. 15 days	..	Settlement, dated 14th July 1959, (C. No. 110 of 1959.)
4	Halar Salt and Chemical Works Ltd.	Workmen	Jamnagar	..	As per Factories Act, 1948.	..	..	ADJ. No. 30 of 1952, <i>Saurashtra Government Gazette</i> Part V, dated 25th September 1954, P. 1811. Agreement, dated 25th March 1958.
5	Halar Salt and Chemical Works.	Workmen	Jamnagar	As per Standing Orders of the Co.	Do.	10 days with half pay.	..	Settlement, dated 15th June 1956, (C. No. 86 of 1956.)
6	Haribhai Jesingbhai Contractor, Sevadia Cement Works.	Workmen	Sevalia	All leaves with wages to workers shall be paid according to practice in the company at the rate of 1 day for 20 days attendance.	..	..	..	Settlement, dated 15th May 1956, (C. No. 270 of 1955).
7	Humidifying Vacuum Cleaning Plant Factory.	Workmen	Ahmedabad	7 days with full pay	1 day for every 20 days' work, Acc. for 2 Years.	7 days with full pay, Acc. 21 days.	..	

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave		
1	2	3	4	5	6	7	8	9	
1	Indo Belga Engineering Co. Ltd.	Workmen	Ahmedabad	7 days	..	..	..	(IT) No. 157 of 1954, <i>Bombay Government Gazette</i> , Part-II, dated 24th February, 1955, P. 566.	
2	Indo Belga Engineering Co. Ltd.	Workmen	Ahmedabad	..	As per Factories Act, 1948.	7 days without wages	..	(IT) No. 156 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 9th July 1959 P. 3022.	
3	Indian Extraction Pvt., Ltd.	Workmen	Jamnagar	5 days with full wages	..	14 days with half wages.	..	Agreement dated, 11th November, 1957.	
4	Idar Municipality	All workmen	Idar	20 days	1 month	..	Maternity leave of 8 weeks.	Settlement dated 21st December 1953, (C. No. 85 of 1953).	
5	I. B. Bobbin Works	Workmen	Ahmedabad	7 days paid	..	7 days paid, Acc. 21 days.	..	(IT) No. 40 and 63 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 4th August, 1955, P. 2418.	
6	Indian Hume Pipe Co., Ltd., (Surat Branch).	Menial Workmen (monthly rated and daily rated).	Surat	7 days with full wages and D. A.	..	7 days with full pay and D. A., Acc. 21 days.	..	(IT) No. 189 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 28th February, 1957, P. 1151-52.	
7	Indian Hume Pipe Co., Ltd.	Workmen	Jamnagar	7 days with full wages and D. A.	..	7 days with full wages and D. A., Acc. 21 days.	..	Agreement <sup>1</sup> , dated 25th September, 1958.	
8	Indian Hume Pipe Co., Ltd.	Workmen (monthly rated).	Ahmedabad	8 days with full pay and D. A.	For 1 year of service = As per Factories Act and 2 or more years' service. 1 month. Acc. 3 months.	7 days with full wages and D. A., Acc. 21 days.	..	Settlement, dated 4th December, 1957 (C.No. 19 of 1957).	
		Mistry, Office boy and Watchmen.	"		As per Factories, Act.	..	..	..	

9	Indian Hume Pipe Co.	..	Workmen	Bhavnagar	7 days with full wages.	..	..	Settlement, dated 8th March, 1956, (C. No. 264 of 1955-56).
10	Indian Hume Pipe Co.	..	Workmen	Rajkot	7 days with full wages and D. A.	As per Factories Act, 1948.	7 days with full pay and D. A., Acc. 21 days.	Settlement, dated 24th May, 1961.
1	Jashwant Iron and Textile Works.		Workmen	Ahmedabad	7 days	..	..	Settlement, dated, 26th September, 1957, (C. No. 115 of 1957).
2	Jyoti Ltd.	..	Workmen	Baroda	7 days	..	7 days, Acc. 21 days	(IT) No. 47 of 1958, <i>Bombay Government Gazette</i> , Part I, L, dated 25th September 1958, P. 4538. Settlement, dated 3rd May, 1958.
3	Jam Digvijay Oil Mills	..	Workmen	Jamnagar	..	1 day for every 20 days' service.	..	Settlement, dated 7th September 1961.
4	Jamkandorna Municipality		Safai Kamdars	Jamkandorna.	12 days as per Govt. Rules.	..	..	Settlement dated 13th December, 1955.
5	Jafrabad Municipality	..	Safai workers	Jafrabad	15 days	1 month's leave for 11 months' service and after 11 months' service 1 day's leave for every 11 days' service, Acc. 4 months.	20 days leave with pay to all workers who have completed 10 years' service.	..
6	Jamnagar Borough Municipality.		Sanitary Workers	Jamnagar	15 days with pay	20 days with wages, Acc. 60 days.	1 month with half pay, Acc. 3 months. 1 month and 10 days with pay.	Settlement, dated 9th June, 1958.
7	Jetpur Municipality	..	Safai Kamdars	Jetpur	Either according to B. C. S. Rules or according to Vyas Review Samiti.	..	..	Settlement, dated 29th July, 1957.
8	Jay Hind Leather Works	..	Workmen	Kalol	5 days with wages	..	5 days with wages, Acc. 15 days.	Settlement, dated 23rd March, 1959, (C. No. 6 of 1959).
9	J. Mansuri Leather Works	..	Workmen	Ahmedabad	5 days with wages	..	5 days with wages, Acc. 15 days.	Settlement, dated 14th May, 1959, (C. No. 78 of 1959).
10	Jay Laxmi Salt Works	..	Workmen	Jamnagar	7 days without wages.	..	10 days with half pay.	Agreement, dated 15th October, 1956.

## APPENDIX VI- contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave		
1	2	3	4	5	6	7	8	9	
11	Jansatta Karyalaya	.. Workmen	Ahmedabad	7 days with wages	As per Factories Act, 1948.	7 days with pay	..	(IT) No. 151 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 10th January, 1957, P. 173. Settlement dated 10th November, 1955.	
	Jai Hind Printing Press	.. Workmen	Rajkot	10 days	As per Factories Act, 1948.	7 days with full wages or 14 days with half pay.	..		
13	Janta Hindu Restaurant and Lodge, Ahmedabad.	Workmen	Ahmedabad	7 days with wages.	..	7 days with wages	..	(IT) 8 of 1956, <i>Bombay Government Gazette</i> , Part I-L, 1st November 1956, P. 4256.	
14	Javahar Hindu Hotel	.. Workmen	Ahmedabad	7 days with wages	..	7 days with wages	..	Settlement dated 30th August, 1955.	
15	Jehangir Brothers	.. Workmen	Ahmedabad	7 days with full wages.	As per Shops and Estts. Act.	7 days with full pay, Acc. 3 years.	..	(IT) No. 51 of 1958, Award, dated 22nd August, 1958, (Unpublished.).	
16	Jamnagar Minerals Development and Syndicate.	Workmen	Jamnagar	..	As per Rules.	7 days with half wages and 7 days without wages.	..	Agreement, dated 12th October, 1957.	
17	Jamnagar Minerals Development and Syndicate.	Workmen	Jamnagar	1 day with pay	..	..	..	Settlement, dated 19th June, 1959.	
1	Khedi Saranjam Karyalaya	Workmen	Ahmedabad	7 days fully paid	..	..	..	Settlement, dated 23rd September, 1958 (C. No. 89 of 1958).	
2	Kalamkhush Karyalaya	.. Workmen	Ahmedabad	7 days fully paid	..	..	..	Settlement, dated 11th August, 1958.	

3	Kadi Municipality	.. Safai Kamdars	Kadi	20 days with full pay and D. A.	15 days with full pay and D. A., Acc. 45 days.	..	Maternity leave as per Bombay M. B. Act, 1929.	Settlement dated 25th September 1954 (C.No. 183 of 1954).
4	Kalol Municipality	- All safai kamdars including sweepers and scavengers.	Kalol	20 days with full pay and D. A.	15 days with full pay and D. A., Acc. 45 days.	..	Maternity leave as per Bombay M. B. Act, 1929.	(IT) No. 10 of 1945 <i>Bombay Government Gazette</i> , Part I-L, dated 3rd June, 1954, P. 1390.
5	Kandorna Municipality	.. Safai Kamdars	Kandorna	12 days	..	..	Maternity Leave of 5 weeks.	Agreement, dated 7th September, 1961.
6	Kheralu Municipality	.. Safai Kamdars	Kheralu	15 days paid	1 month with full pay and D. A., Acc. 2 months.	As given to Class IV Employees.	Maternity Leave as per Bombay M. B. Act 1929.	(IT) No. 146 of 1953 <i>Bombay Government Gazette</i> , Part I-L, 3rd June 1954, P. 1384.
7	Kalamandir	- Workmen	Baroda	..	As per Shops and Estts. Act.	7 days with half pay.	..	Settlement, dated 20th October 1956, (C. No. 36 of 1956).
8	Kalamandir	.. Workmen	Baroda	..	..	7 days with wages, Acc. 21 days.	..	Settlement dated 30th October 1958.
9	Kamal Talkies	- Workmen	Sabarmati	7 days with wages	..	7 days, Acc. 21 days	..	Settlement, dated 30th March 1960, (C.No. 38 of 1960).
10	Krishna Talkies	.. Workmen	Ahmedabad	7 days with wages	..	7 days with wages, Acc. 21 days.	..	(IT G) No. 12 (i) and (ii) of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 17th March, 1955, P. 812.
11	Krishna Talkies	.. Workmen	Surat	7 days with full wages,	14 days with full wages, Acc. 28 days.	7 days with full wages, Acc. 21 days.	..	Agreement dated 20th September, 1960.
12	Krishna Talkies	.. Workmen	Baroda	..	As per Shops and Estts. Act.	7 days with half pay.	..	Settlement, dated 20th October, 1956.
13	Krishna Talkies	- Workmen	Baroda	..	..	7 days with wages, Acc. 21 days.	..	Settlement, dated 30th October, 1958.
14	Krishna Talkies	- Workmen	Surat	7 days with wages.	full 14 days with full wages, Acc. 28 days.	7 days with full wages, Acc. 21 days	..	Agreement, dated 12th March, 1959.

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave		
1	2	3	4	5	6	7	8	9	
15	Kathiawar Colour Agency, Pvt., Ltd.	(a) Workmen (b) Monthly paid staff.	Jamnagar	..	(a) As per Factories Act, 1948 (b) One month.	10 days with half wages.	..	Settlement, dated 27th December, 1957.	
16	Kaira District Co-operative Milk Producers Union. Ltd.	Workmen	Anand	..	25 days with salary and D. A.	..	..	Settlement, dated 17th January, 1956 (C. No. 206 of 1955).	
17	Kalpana Printery	.. Workmen	Ahmedabad.	..	..	7 days with full pay and D. A., Acc. 42 days.	..	Settlement dated 15th June, 1956. (C. No. 250 of 1955).	
18	Kitabghar Printery	.. Workmen	Rajkot	10 days.	As per Factories Act, 1948.	7 days with full wages or 14 days with half wages.	..	Settlement Dated 3rd January, 1956.	
19	K. C. A. Private. Ltd.	.. Workmen	Jamnagar	3 days with wages. and D. A.	..	..	..	Agreement, dated 3rd February, 1961.	
1	Laxmi Vijay Iron and Brass Factory.	.. Workmen	Ahmedabad	7 days	..	7 days, Acc. 21 days.	..	(IT) No. 55 of 58 Award, dated 30th August, 1958. (Unpublished).	
2	Laxmi Vijay Brass and Iron Works.	Workmen	Baroda	5 days with full pay and allowance.	As per Factories Act, 1948.	5 days with full pay and allowance, Acc. 15 days.	..	(IT) No. 265 of 1958, dated 23rd January, 1959. (Unpublished).	
3	Laxmi Oil Mills	.. Workmen	Jamnagar	3 days	..	5 days	..	(IT) No. 44 of 1959, Award, dated 2nd August, 1959, (Unpublished).	
4	Lunawada Municipality	.. Safai Kamdars	Lunawada	15 days	1 month	..	Maternity Leave as per Bombay M. B. Act, 1929.	(IT) No. 39 of 1953, per Bombay Government Gazette, Part I-L, dated 16th July, 1953, P. 1600.	



5	Laxmi Talkies.	..	Workmen	Ahmedabad	7 days with wages.	..	7 days with wages. Acc. 21 days.	..	(IT-G) No. (i) and (ii) of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 17th March 1955, P. 812.
6	L. N. Talkies.	..	Workmen	Ahmedabad.	7 days with wages	..	7 days with wages. Acc. 21 days.	..	Do.
7	Light House	..	Workmen	Ahmedabad	7 days with wages	..	7 days with wages, Acc. 21 days.	..	Do.
8	Lok Prakashan, Ltd.	..	Workmen	Ahmedabad.	..	..	7 days with full wages and dearness allowance.	..	(IT) No. 57 of 1953, <i>Bombay Government Gazette</i> Part I-L, 28th January 1954, P. 196.
9	Lok Prakashan, Ltd.	..	Workmen	Ahmedabad	7 days with full wages.	..	7 days with full wages, Acc. 21 days.	..	Settlement, dated 3rd August, 1957, (C. No. 234 of 1956).
10	Lord Kin Printery	..	Workmen	Ahmedabad	10 days with half pay.	..	10 days with half pay, Acc. 60 days.	..	Settlement, dated 11th January 1955, (C. No. 1066 of 1954).
11	Loksatia	..	Workmen	Baroda	The present practice of 30 days' combined leave to be continued. Acc. 60 days.			..	(IT) No. 30 of 1957 Award, dated 28th February, 1958 (Unpublished).
12	Laxmi Vilas Hindu Hotel	..	Workmen	Ahmedabad	7 days with wages.	..	7 days with wages, Acc. 21 days.	..	(IT-B) No. 10 of 1954 <i>Bombay Government Gazette</i> , Part I-L, dated 13th October, 1955, P. 3118.
13	Lucky Star Hindu Restaurant.	..	Workmen	Ahmedabad	7 days with wages.	..	7 days with wages Acc. 21 days.	..	(IT-A) No. 4 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 25th October, 1956, P. 4178.
14	Laxmi Flooring Tiles Co.	..	Workmen	Surat	..	..	8 days with average half pay.	..	Settlement, dated 16th June, 1961, (C. No. 18 of 1961).

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave				Other type of leave	Reference
				Casual Leave	Privilege Leave	Sick Leave			
1	2	3	4	5	6	7	8	9	
<b>M</b>									
1	Machinery Supplying Co. . .	Workmen	Ahmedabad	7 days with full wages.	..	7 days with full wages.	..	..	(IT) No. 32 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 20th December, 1956, P. 4989.
2	Mahalaxmi Vijay Iron and Brass Factory.	Workmen	Ahmedabad	7 days.	..	7 days. Acc. 21 days.	..	..	(IT) No. 53 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 18th September 1958, P. 4494.
3	Mangaldas Jethabhai and Sons, Iron and Brass Factory No. 1.	Workmen	Ahmedabad	7 days.	..	7 days, Acc. 14 days	..	..	(IT) No. 150 of 1957, Award, dated 29th November, 1957. (Unpublished).
4	Mangaldas Jethabhai and Sons, Iron and Brass Factory No. 2.	Workmen	Ahmedabad	7 days with full pay	..	7 days with full wages, Acc. 21 days.	..	..	(IT) No. 71 of 1958, Award, dated 30th October, 1958. (Unpublished).
5	Metal Moulding Private Ltd.,	Workmen	Ahmedabad	7 days with full wages.	..	7 days with full wages, Acc. 14 days.	..	..	(IT) No. 175 of 1957, Award, dated 22nd November 1957. (Unpublished).
6	Modern Engineering and Moulding Co.	Workmen	Ahmedabad	7 days with full wages.	..	7 days with full wages.	..	..	(IT) No. 171 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 28th June, 1956, P. 274
7	Mohandal Lalchand Metal Works.	Workmen	Navsari	..	As per Factories Act, 1948.	..	..	..	Settlement, dated 2nd February, 1956 (C. No. 12 of 1956.)
8	M. M. Panchal Factories No. 1 and 2.	Workmen	Ahmedabad	7 days with wages.	..	7 days with wages, Acc. 21 days.	..	..	(IT) No. 243 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 20th November, 1958, P. 5695.

9	Maize Products	..	Workmen	Kathiwada	7 days with wages and dearness allowance.	..	..	(IT-A) Nos. 5 and 6 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 16th June, 1955, P. 1738.
10	Maize Products	..	All Clerks	Kathiwada	..	30 days with wages and dearness allowance. Acc. 90 days.	15 days with wages and dearness allowance.	(IT) No. 409 of 1958 <i>Bombay Government Gazette</i> , Part I-L, dated 18th June, 1959, P. 2717.
11	Madhusudan Oil Products	..	Workmen	Talod	1 day's paid for every 35 days' work.	..	1 day's paid for every 35 days' work.	(IT) No. 112 of 1957, Award, dated 23rd November, 1957. (Unpublished).
12	Mehsana Municipality	..	Safai Kamdars	Mehsana	15 days	1 month	..	M. L. of 2 months as per Bombay M. B. Act.
13	Mehmedabad Municipality	..	All workmen	Mehmedabad	The present procedure of giving leave such as C. L., P. L., S. L. and M. L., is proper and shall be continued.			Settlement, dated 24th June, 1954. (C. No. 185 of 1954.)
14	Maliya Shaher Sudhral	..	All workmen	Maliya	15 days	1 month	20 days	Agreement, dated 18th December, 1961.
15	Mahagujarat Hospital	..	Workmen	Nadiad	7 days with full consolidated pay.	30 days on full consolidated pay. Acc. 30 days.	2 weeks S. L. with full consolidated pay. If illness is prolonged, 2 weeks additional leave is given on half pay (consolidated). It will not be allowed to exceed 4 months at a time.	(IT) No. 299 of 1958 Award, dated 4th June 1959. (Unpublished).
16	Methodist Hospital	..	Workmen	Nadiad	7 days with full pay and dearness allowance.	30 days	2 weeks with full pay and dearness allowance. But if sickness is prolonged then 2 weeks more for every completed year of service on half pay and allowance, with maximum of 4 months.	Settlement, dated 13th April, 1956.

APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave				Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave	
1	2	3	4	5	6	7	8	9
17	M. Chisty Pickers Works	.. Workmen	Ahmedabad	5 days with wages	..	5 days with wages, Acc. 15 days	..	Settlement, dated 21st September, 1959. (C. No. 63 of 1959).
18	Maharani Shantadevi Talkies	Workmen	Baroda	..	As per Shops and Estus. Act.	7 days with half pay	..	Settlement, dated 20th October, 1956. (C. No. 35 of 1956).
19	Maharani Shantadevi Talkies	Workmen	Baroda	..	..	7 days with wages, Acc. 21 days.	..	Settlement, dated 30th October, 1958.
20	Mohan Talkies	.. Workmen	Surat	7 days with full wages.	14 days with full wages, Acc. 28 days.	7 days with full wages, Acc. 21 days.	..	Agreement, dated 20th September, 1960.
21	Mohan Talkies	.. Workmen	Surat	..	As above	7 days with wages, Acc. 21 days.	..	Agreement, dated 12th March, 1959.
22	Mohan Talkies	.. Workmen	Baroda	..	..	7 days with wages, Acc. 21 days	..	Settlement, dated 30th October, 1958.
23	Mohan Talkies	.. Workmen	Baroda	..	As per Shops and Estts. Act.	7 days with half pay.	..	Settlement, dated 26th October, 1956 (C. No. 29 of 1956).
24	Motel Talkies	.. Workmen	Ahmedabad	7 days with wages	..	7 days with wages, Acc. 21 days.	..	(IT) No. 12(i) and (ii) of 1954, Bombay Government Gazette, Part I-L, dated 17th March 1955, P. 812.
25	Moti Talkies	.. Workmen	Surat	7 days with full wages.	14 days with full wages, Acc. 28 days.	7 days with full wages, Acc. 21 days.	..	Agreement, dated 12th March, 1959.
26	Moti Talkies	.. Workmen	Surat	..	As above	..	..	Agreement dated 20th September, 1960.
27	M. M. Khamhatwala	.. Workmen	Ahmedabad	7 days with wages and Dearness Allowance.	..	6 days with wages and Dearness Allowance Acc. 18 days.	..	Settlement, dated 5th December, 1956 (C. No. 175 of 1956).

28	Manorath Printery	..	Workmen	Ahmedabad	..	7 days with full wages, Acc. 42 days.	..	Settlement, dated 12th December, 1955 (C. No. 201 of 1955).
29	Mayoor Printery	..	Workmen	Ahmedabad	10 days with half pay.	10 days with half pay, Acc. 60 days.	-	Settlement (C. No. 1065 of 1954), dated 11th January, 1956.
30	Mafatal Mills Employees' Co-operative Credit Society.		Workmen	Navsari	7 days with wages]	7 days with wages, Acc. 21 days.	-	Settlement, dated 11th August, 1961, (C. No. 149 of 1961).
31	Mahalaxmi Vilas Hindu Hotel.		Workmen	Ahmedabad	7 days with full wages.	7 days with full wages, Acc. 21 days.	-	(ITA) No. 4 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 25th August, 1955, P. 2641.
32	Mohabate Islami Hotel		Workmen	Ahmedabad	7 days with full wages.	7 days with full wages.	-	Settlement, dated 30th December, 1954, (C. No. 1075 of 1954).
33	Modern Bobbin Co. Ltd., Factory No. 2.		Workmen	Bilimora	..	5 days, Acc. 15 days.	-	Settlement, (C. No. 14 of 1961) dated 31st October, 1961.
34	Mahagujarat Tiles and Marble Co.		Workmen	Ahmedabad	5 days with wages	5 days with wages, Acc. 30 days.	-	(IT) No. 55 of 1958 <i>Bombay Government Gazette</i> , Part I-L, dated 22nd May, 1958, P. 2634.
35	Mehta Tiles Factory Nos. 1 and 2.		Workmen	Ahmedabad	5 days with wages	5 days with wages, Acc. 30 days.	-	(IT) No. 62 of 1957, Award. dated 29th July, 1957. (Unpublished).
36	Modern Bobbin Co. Ltd.		Workmen	Bilimora	..	5 days, Acc. 15 days	..	Settlement, dated 5th January, 1961, (C. No. 103 of 1960)

## APPENDIX VI—contd.

Sr. No	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave				Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave	
1	2	3	4	5	6	7	8	9
<b>N</b>								
1	Nagardas Becharadas and Brothers.	Workmen	Ahmedabad	7 days paid	As per Factories Act, 1948.	..	..	Settlement, dated 14th April 1958, (C. No. 72 of 1958).
2	Nagardas Becharadas and Sons Iron and Brass Factory.	Workmen	Ahmedabad	7 days with pay	As per Factories Act, 1948.	..	..	Settlement, dated 1st January, 1958.
3	Nanuram Gashiram Moulding Works.	Workmen	Ahmedabad	7 days with pay	..	7 days with pay, Acc. 21 days.	..	(IT) No. 154 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 7th February 1957, P. 715.
4	Naranalala Metal Works	Workmen	Navsari	..	Existing practice shall continue.	..	..	(IT) No. 127 of 1955, <i>Bombay Government Gazette</i> , Part I-L, 19th January, 1956, P. 191.
5	Naranalala Metal Works	Workmen	Navsari	..	As per Factories Act, 1948.	7 days	..	Settlement, dated 10th April 1954, (C. No. 53 of 1954).
6	Naranalala Metal Works	Workmen	Navsari	..	Present practice to continue.	..	..	Settlement, dated 23rd March 1961, (C. No. 269 of 1960).
7	National Motor Engineering Works.	Workmen	Surat	2 days	..	..	..	Settlement, dated 10th November, 1960, (C. No. 97 of 1960).
8	National Shuttle Mig. Works.	Workmen	Ahmedabad	7 days	..	7 days, Acc. 21 days.	..	(IT) No. 58 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 18th September, 1958, P. 4449.
9	New India Engineering Corporation.	Workmen	Ahmedabad	7 days	..	7 days with wages, Acc. 21 days.	..	(IT) No. 84 of 1958, Award, dated 9th October, 1958 (Unpublished).

10	Narbada Valley Chemical Industries (P) Ltd., (A. C. Division).	Workmen in A.C. Division	Rajpipla	3 days with full wages	..	4 days with full wages	..	Settlement, dated 9th December, 1959, (C. No. 186 of 1959).
11	Narbada valley Chemical Industries (P) Ltd.	Workmen	Rajpipla	7 days with full pay and Allowances.	As per Factories Act, 1948.	7 days with full wages and Allowances, Acc. 21 days.	..	(IT) No. 103 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 17th May 1956. Page 1759.
12	New Bharat Glue Mfg. Co. ..	Workmen	Ahmedabad	7 days	As per Factories Act, 1948.	7 days, Acc. 21 days	..	Settlement, dated 29th May, 1961 (C. No. 31 of 1961).
13	Nadiad Oil Mill	..	Nadiad	7 days with wages	As per Factories Act, 1948.	..	..	Settlement, dated 4th May, 1957. (C. No. 40 of 1957).
14	Natwar Oil Mills	..	Baroda	One day's paid for every 35 days work.	..	One day's paid for every 35 days work.	..	(IT) No. 54 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 7th August, 1958, P. 3816.
15	N.S.P. Straw Paper Products Pvt. Ltd.	Workmen	Digendranagar	5 days with wages	..	5 days with wages, Acc. 16 days.	..	(IT) No. 8 of 1961. Award dated 27th September, 1961. (Unpublished).
16	New India Pickers Co. ..	Workmen	Ahmedabad	7 days with wages	..	7 days with wages, Acc. 21 days.	..	Settlement, dated 4th September, 1958 (C. No. 152 of 1958).
17	New Laxmi Talkies	..	Surat	7 days with full wages	14 days with full wages, Acc. 28 days.	7 days with full wages, Acc. 21 days	..	Agreement, dated 12th March, 1959.
18	New Laxmi Talkies	Workmen	Surat	do.	do.	do.	..	Agreement, dated 20th September, 1960.
19	New Super Talkies	..	Surat	do.	do.	do.	..	Agreement, dated 20th September, 1960.
20	New Super Talkies	..	Surat	do.	do.	do.	..	Agreement, dated 12th March, 1959.
21	Novelty Talkies	..	Ahmedabad	7 days with wages	..	7 days with wages, Acc. 21 days.	..	(IT) No. 12 (i) and (ii) of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 17th March, 1956, P. 812.

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of leave				Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of leave	
1	2	3	4	5	6	7	8	9
22	Navprabhat Printing Press..	Workmen	Ahmedabad	5 days paid	..	7 days paid. Acc. 21 days.	..	(IT) No. 212 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 12th June, 1958, P. 3054-55.
23	Navprabhat Printing Press..	Workmen	Ahmedabad	5 days paid	..	5 days paid, Acc. 20 days.	..	(IT) No. 212 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 30th July, 1959, P. 3362.
24	New Commercial Mills Employees' Co-operative Society Ltd.	Workmen	Ahmedabad	..	..	Leave with wages, according to Factories Act.	..	Settlement, dated 12th January, 1953.
25	Naz Restaurant	Workmen	Ahmedabad	7 days	..	7 days, Acc. 21 days.	..	Settlement, dated 12th October, 1954, (C. No. 1056 of 1954).
26	Noorbhai Bidi Works	Workmen	Ahmedabad	7 days with wages	..	7 days with wages	..	(IT) No. 121 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 15th December, 1955, P. 3817.
27	New Phonex Pottery Co. ..	Workmen	Gandevi	..	..	7 days with wages, Acc. 21 days	..	(IT) No. 190 of 1959, Award, dated 11th March, 1961 (Unpublished).
28	Navroji N. Vakil & Co.	Workmen	Ahmedabad	7 days with wages	..	7 days with wages	..	(IT) No. 30 of 1960 Award, dated 22nd March, 1961. (Unpublished).
29	Navroji N. Vakil & Co.	Workmen	Ahmedabad	5 days	..	7 days with full pay or 14 days with half pay, Acc. or 2 years.	..	(IT) No. 211 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 6th February, 1958, P. 769.



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1	Omkar Iron & Brass Factory.	Workmen	Ahmedabad	5 days with wages.	0	5 days with wages. Acc. 15 days.	..	Settlement, dated 7th October 1958. (C. No. 194 of 1958).
2	Ojas Cosmetics and Pharmaceutical Corporation Factory No. 2.	Workmen	Ahmedabad	4 days with wages.	..	..	..	(IT) No. 35 of 1957, Award, dated 31st July 1957 (Unpublished).
1	Pahelwan Rustamkhan Nawabkhan Factories.	Workmen	Ahmedabad	7 days with wages.	P	..	..	(IT) No. 125 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 9th August 1956, P. 2781.
2	Panchal Engineering Works.	Workmen	Ahmedabad	7 days with wages.	..	7 days with pay.	..	(IT) No. 84 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 10th January 1957, P. 167.
3	Panchal Engineering Works.	Workmen	Bulsar	..	..	3 days per year Acc. 9 days.	..	Settlement, dated 3rd June 1961. (C. No. 281 of 1960).
4	Patel Tin Mfg. Co.	Workmen	Ahmedabad	7 days with full wages.	..	..	..	Settlement, dated 8th December 1961, (C. No. 75 of 1961).
5	Punjabhai Vannalidas	Workmen	Ahmedabad	7 days with wages.	..	7 days with full wages. Acc. for 2 years.	..	(IT) No. 207 of 1956, Award, dated 26th September 1957, (Unpublished).
6	Polson Model Dairy	Workmen	Anand	7 days with full pay and dearness allowance.	..	4 days with full pay and dearness allowance.	..	Settlement, dated 8th November 1956, (C. No. 176 of 1956).
7	Polson Model Dairy	Workmen	Anand	7 days with pay and dearness allowance.	..	8 days with pay and dearness allowance.	..	(IT) No. 169 of 1959 Award, dated 30th November 1959, (Unpublished).
8	Padra Municipality	Safai Kamdars	Padra	15 days.	..	15 days.	Maternity leave of 4 to 6 weeks.	(IT) No. 25 of 1957 Award, dated 7th May 1957. (Unpublished).

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of Leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of Leave		
1	2	3	4	5	6	7	8	9	
9	Padra Municipality	.. Safai Kamdars	Padra	15 days with full pay and dearness allowance.	15 days with wages. Acc. 2 years.	..	Maternity leave of 1½ month; with pay and dearness allowance.	(IT) No. 139 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 13th August 1953, P. 1788.	
10	Patan Municipality	.. Safai Kamdars	Patan	15 days with full pay.	...	15 days with half pay.	..	(IT) No. 138 of 1956. <i>Bombay Government Gazette</i> , Part I-L, dated 11th April 1957, P. 1833.	
11	Palitana Municipality	.. Safai Kamdars	Palitana			..	Maternity leave of 1 month.	Settlement, dated 29th July 1953.	
12	Patel & Parmar Picker Works	Workmen	Ahmedabad	7 days with wages.		4 days with wages. Acc. 12 days.	..	Settlement, dated 7th August 1959. (C. No. 62 of 1959).	
	P. Tex India Pickers Works.	Workmen	Ahmedabad	5 days with wages.	..	5 days with wages. Acc. 15 days.	..	Settlement, dated 30th May 1959. (C. No. 79 of 1959).	
14	Pickers Limited	.. Workmen	Ahmedabad	7 days with wages and dearness allowance.	..	7 days with wages and dearness allowance. Acc. 21 days.	..	Award, dated 15th January 1959, (Ref. No. 83 of 1958). (Unpublished).	
15	Pyareali Gulamhussain Surani, Motera (Ahmedabad).	Workmen	Ahmedabad	5 days with wages.	..	5 days with wages. Acc. 15 days.	..	(IT) No. 87 of 1960, Award, dated 10th April 1961. (Unpublished).	
16	Parimal Talkies	.. Workmen	Ahmedabad	7 days with wages.	..	7 days with wages. Acc. 21 days.	..	(IT) No. 12(i) & (ii) of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 17th March 1955, P. 812.	
17	Pratap Talkies	.. Workmen	Ahmedabad	7 days with wages.	..	7 days with wages. Acc. 21 days.	..	Do.	

18	Pratap Talkies	..	Workmen	Baroda	..	As per Shops and Establishments Act. pay.	7 days with half	Settlement, dated 20th October 1956 (C. No. 33 of 1956).
19	Prakash Talkies	..	Workmen	Surat	7 days with full wages.	full 14 days with full wages. Acc. 28 days.	7 days with full wages.	Agreement, dated 20th September 1960.
20	Prakash Talkies	..	Workmen	Surat	7 days with full wages.	full 14 days with full wages. Acc. 28 days.	7 days with full wages.	Agreement, dated 12th March 1959.
21	Prince Talkies	..	Workmen	Baroda	..	As per Shops and Establishments Act.	7 days with half wages.	Settlement, dated 20th October 1956, (C. No. 31 of 1956).
22	Prince Talkies	..	Workmen	Baroda	..	..	7 days with wages. Acc. 21 days.	Settlement, dated 30th October 1958.
23	Purnima Restaurant	..	Workmen	Ahmedabad	7 days with wages.	..	7 days with wages. Acc. 21 days.	Settlement, dated 19th July 1958, (C. No. 103 of 1958).
24	Punjab Steel Rolling Mills	..	Workmen	Baroda	5 days with wages.	..	5 days with wages. Acc. 15 days.	Settlement, dated 27th February 1959 (C. No. 20 of 1959).
25	Patel Oil Mill	..	Workmen	Rajkot	..	As per Factories Act, 1948.	..	Settlement, dated 2nd August 1957.
<b>B</b>								
1	R. M. Engineering Works..	..	Workmen	Ahmedabad	7 days with full pay.	As per Factories Act, 1948.	..	Settlement, dated 8th May 1956. (C. No. 166 of 1955).
2	R. M. Engineering Works..	..	Workmen	Ahmedabad	7 days with full pay.	..	..	Settlement, dated 16th January 1958. (C. No. 5 of 1958).
3	Rally Metal Works	..	Workmen	Ahmedabad	7 days with wages.	..	7 days with wages.	Settlement, dated 11th March 1958. (C. No. 57 of 1958).
4	Ranco Chemical Works	..	Workmen	Barejadi	6 days with full wages and dearness allowance.	..	10 days with half wages and half dearness allowance.	(IT) No. 14 of 1954, Bombay Government Gazette, Part I-L, dated 22nd July 1954, P. 1867.

## APPENDIX VI—contd.

Sr. No	Name of the concern	Type of workmen covered	Centre	Nature and quantum of Leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of Leave		
1	2	3	4	5	6	7	8	9	
5	Rajpipla Municipality	.. All employees	Rajpipla	10 days with wages.	10 days with wages.	10 days with wages.	..	(IT) No. 280 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 29th January 1959, P. 471.	
6	Rander Municipality	.. Sweepers, Scavengers and Market workers.	Rander	..	7 days paid	7 days paid	Maternity leave of 6 weeks.	(IT) No. 159 of 1959, Award, dated 7th January 1960.(Unpublished).	
7	Rajkot Borough Municipality	Female Workers.	Rajkot	..	7 days paid	..	Maternity leave : 1 month for delivery, 15 days for miscarriage.	Settlement, dated 2nd June 1956.	
8	Rajkot Borough Municipality	Female Workmen.	Rajkot	..	..	..	Maternity leave of 14 months.	Settlement, dated 3rd January 1955.	
9	Rajnagar Talkies	.. Workmen	Ahmedabad	7 days with wages.	..	7 days with wages. Acc. 21 days.	..	(IT) No. 12(i) & (ii) of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 17th March 1955, P. 812.	
10	Relief Cinema	.. Workmen	Ahmedabad	..	..	Do.	..	Do.	
11	Regal Cinema	.. Workmen	Ahmedabad	..	..	Do.	..	Do.	
12	Rosy Talkies	.. Workmen	Ahmedabad	..	..	Do.	..	Do.	
13	Rupam Talkies	.. Workmen	Ahmedabad	..	..	Do.	..	Do.	
14	Ram Bharose Hindu Hotel.	.. Workmen	Ahmedabad	..	..	Do.	..	Settlement, dated 10th September 1957. (C) No. 85 of 1957).	
15	Rajnikant Bobbin Factory	.. Workmen	Ahmedabad	..	..	7 days. Acc. 14 days	..	(IT) No. 68 of 1958 Award, dated 3rd February 1959 (Unpublished).	

1	Satyanarayan Iron & Brass Factory.	Workmen	Ahmedabad	7 days with wages.	8	7 days with wages. Acc. 21 days.	..	Settlement, dated 2nd September 1958 (C. No. 151 of 1958).
2	Sayaji Iron and Engineering Co., (Private) Ltd.	Workmen	Baroda	5 days paid.	..	10 days with $\frac{1}{2}$ pay or 5 days with full pay. Acc. 30 days with half pay or 15 days with full pay.	..	(IT) No. 208 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 23rd October 1958, P. 5073.
3	Shakti Engineering Works, Pvt. Ltd.	Workmen	Baroda	5 days with wages.	..	7 days with full pay.	..	(IT) No. 290 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 4th September 1958, P. 4358.
4	Star Welding & Boiler Repairing Works.	Workmen	Ahmedabad	7 days paid.	..	7 days paid. Acc. 21 days.	..	Settlement, dated 10th June 1958. (C. No. 129 of 1958).
5	Sulekhran & Sons, Steel Rolling Mills.	Workmen	Ahmedabad	5 days with full pay.	..	5 days with full pay. Acc. 10 days.	..	(IT) No. 114 of 1957, Award, 24th December 1957, (Unpublished).
6	Swastik Engineering & Mfg. Co. Pvt. Ltd.	Workmen	Baroda	5 days with full pay and allowances.	As per Factories Act,	5 days with full pay and allowances. Acc. 15 days.	..	(IT) No. 257 of 1958, Award, dated 14th April 1959. (Unpublished).
7	Swastik Textile Trading Co., Ahmedabad.	Workmen	Ahmedabad	7 days with full pay.	..	5 days with full pay. Acc. 15 days.	..	(IT) No. 111 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 27th December 1956, P. 5155.
8	Sayaji Mills Ltd., Maize Pro- ducts Section.	Workmen	Ahmedabad	..	21 days. Acc. 42 days.	..	..	Settlement, dated 19th October 1957.
9	Satyadev Chemical Pvt. Ltd.	Workmen	Baroda	5 days with full pay and dearness allowance.	..	10 days with half pay and dearness allowance. Acc. 30 days.	..	(IT) No. 137 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 21st August 1958, P. 4037.
10	Shaw Wallace & Co., Ltd., Glue Factory.	Workmen	Cambay	5 days with full wages.	..	5 days fully paid.	..	(IT) No. 231 of 1958 Award, dated 10th September 1958, (Un- published).

## APPENDIX VI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of Leave					Reference
				Casual Leave %	Privilege Leave	Sick Leave	Other type of Leave		
1	2	3	4	5	6	7	8	9	
11	Sabarnati Oil Mills	Workmen	Sabarnati	5 days.	As per Factories Act, 1948.	7 days.	--	(IT) No. 94 of 1956 Bombay Government Gazette, Part I-L, dated 22nd November 1956, P. 4530.	
12	Swadeshi Rice, Pulse and Oil Mills, Ahmedabad.	Workmen	Ahmedabad	7 days with full pay.	As per Factories Act, 1948.	5 days with full pay. Acc. 21 days.	..	Settlement, dated 5th September 1956, (C. No. 108 of 1956).	
13	Sanand Municipality	.. Safai Kamdars	Sanand	Casual leave, privilege leave and sick leave as provided for the permanent employees of the Municipality under the Sanand Municipality Service Rules.			Maternity leave as per Bombay M. B. Act, 1929.	(IT) No. 148 of 1952, Bombay Government Gazette, Part I-L, dated 23rd April 1953, P. 934.	
14	Sanand Municipality	.. Safai Kamdars	Sanand	Leave shall be given to all workmen as per the Municipality Rules as at present.			..	Settlement, dated 22nd November 1954, (C. No. 1045 of 1954).	
15	Sihor Municipality	.. Safai Kamdars	Sihor	Privilege leave and sick leave shall be granted to the Safai Kamdars in accordance with the rules applicable to the class IV employees of the Municipality.			..	(IT) No. 77 of 1958, Award, dated 21st November 1958. (Unpublished).	
16	Sinor Municipality	.. Safai Kamdars	Sinor	10 days.	10 days. Acc. 30 days.	10 days.	Maternity leave of 30 days with full pay and dearness allowance.	(IT) No. 68 of 1957, Award, dated 3rd August 1957. (Unpublished).	
17	Sojitra Municipality	.. All workmen	Sojitra	Casual leave, privilege leave and sick leave shall be given as per the Bombay Civil Services Rules for Class IV servants.			Maternity leave as per Bombay M. B. Act, 1929.	Settlement, dated 21st December 1953. (C. No. 22 of 1953).	
18	Surat Borough Municipality.	Women workmen of Public Works Department and other workmen.	Surat	7 days.	15 days with full pay and allowances.	7 days.	1 month Maternity leave.	(IT) No. 105 of 1955 Bombay Government Gazette, Part I-L, dated 22nd December 1955, P. 3989.	

19	Savarkundla Municipality	Women Work- ers.	Savarkundla	..	..	Maternity leave of 1 month.	Settlement, dated 6th September 1956.
20	Salvation Army Emery Hos- pital.	Workmen	Anand	7 days with full wages and dearness allowance.	..	..	(IT) No. 71 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 8th November 1956, P. 4410.
21	Sagar Talkies	Workmen	Baroda.	-	-	7 days with wages. Acc. 21 days.	Settlement, dated 30th October 1958.
22	Sagar Talkies	Workmen	Baroda	-	As per Shops and Establishment Act.	7th days with half pay.	Settlement, dated 20th October 1956. (C No. 135 of 1956).
23	Saraswati Talkies	Workmen	Ahmedabad	7 days with wages.	-	7 days with wages. Acc. 21 days.	(IT) No. 12 (i) and (ii) of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 17th March 1955. P. 812.
24	Sadhna Talkies	Workmen	Baroda	-	As per Shops and Establishments Act.	7 days with half pay	Settlement, dated 20th October 1956. (Case No. 30 of 1956).
25	Sadhna Talkies,	Workmen	Baroda	-	-	7 days with full wages. Acc. 21 days.	Settlement, dated 30th October 1958.
26	Sharda Talkies	Workmen	Baroda	-	As per Shops and Establishments Act.	7 days with half pay.	Settlement, dated 20th October 1956, (C. No. 34 of 1956).
27	Sharda Talkies	Workmen	Baroda	-	-	7 days with full wages. Acc. 21 days.	Settlement, dated 30th October 1958.
28	Sanitex Chemical Industries Ltd.	Workmen	Baroda	-	-	Company gives 30 days consolidated leave. Acc. 45 days.	(IT) No. 101 of 1956 <i>Bombay Government Gazette</i> , Part I-L, dated 27th December 1956 P. 5145.

APPENDIX VI—*contd.*

Sr. No	Name of the concern	Type of workmen covered	Centre	Nature and quantum of Leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of Leave		
1	2	3	4	5	6	7	8	9	
29	Suhrid Geigy Limited, Baroda.	Unskilled, Semi-skilled- 'A' and 'B' and skilled 'A', 'B' and 'C'. Clerical ( i. e. Clerks and Technicians ), Technical Supervisors and Senior Clerks. Steno-graphers Chemists ( Single Graduates ).	Baroda	7 days with full wages.	As per Factories Act, 1948.	15 days on half wages. Acc. 30 days.	..	Settlement, dated December 1961.	
30	Sanitex Chemical Industries Ltd.	Staff members	Baroda	7 days with full wages.	16 days with full wages. Acc. 48 days.	7 days with full wages. Acc. 21 days.	..	Settlement, dated September, 1959, (C. No. 54 of 1959).	
31	Sarabhai Chemicals, Baroda.	Unskilled, Semi-skilled and Skilled workers.	Baroda	7 days with full wages.	As per Factories Act, 1948.	15 days on half the wages, Acc. 30 days.	..	Agreement, dated December 1956.	
32	Sarabhai Chemicals	..	Baroda	10 days on full wages	30 days. Acc. 60 days	15 days on half wages. Acc. 30 days.	..	Agreement. dated 22nd November 1961.	
33	Scientific Soap Works	..	Ahmedabad	7 days with full pay and dearness allowance.	..	5 days with full pay and dearness allowance. Acc. 20 days.	..	Settlement, dated March 1956 (C. No. 266 of 1955 ).	



34	Sandesh Limited	..	Workmen	Ahmedabad	7 days	7 days, Acc. 21 days	..	(IT) No. 123 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 24th May 1956, P. 1851.
35	Sandesh Limited	..	Workmen	Ahmedabad	..	7 days with full pay and dearness allowance	..	(IT) No. 122 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 14th May 1953, P. 1096.
36	Sastu Sahitya Mudranalaya Trust	..	Workmen	Ahmedabad	7 days	As per Factories Act, 1948.	..	Settlement, dated 27th April 1957.
37	Sastu Sahitya Mudranalaya Trust	..	Workmen	Ahmedabad	12 days	15 days with wages. Acc. 30 days.	..	Settlement, dated 6th November 1958 (C.No. 207 of 1958).
38	Shantivijay Printing Press	..	Workmen	Ahmedabad	..	5 days with full pay. Acc. 20 days.	..	Settlement, dated 7th January 1960, (C. No. 164 of 1959).
39	Shantilal Chandrakant Printing Press	..	Workmen	Sabarnati	..	7 days paid. Acc. 14 days.	..	Settlement, dated 29th April 1954, (C. No. 71 of 1954).
40	Sharda Mudranalaya	..	Workmen	Ahmedabad	7 days with full wages	..	..	Settlement, dated 8th October 1956 (C. No. 144 of 1956).
41	Suryaprakash and Advance Printeries	..	Workmen	Ahmedabad	..	7 days with full pay Acc. 42 days.	..	Settlement, dated 19th January 1955.
42	Saroj Industries	..	Workmen	Kalol	7 days with full pay and dearness allowance	7 days with full pay and dearness allowance	..	(IT) No. 39 of 1958 Award, dated 12th September 1958, (Unpublished).
43	Samrat Hindu Hotel and Lodge	..	Workmen	Ahmedabad	7 days	7 days with wages Acc. 21 days.	..	(IT) No. 2 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 10th March 1955, P. 743.
44	Sarvodaya Tea House Bhojanalaya and Niwas-sthan (Now known as New Sarvodaya Bhojanalaya)	..	Workmen	Ahmedabad	7 days with full wages	7 days with full wages	..	(IT A) No. 5 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 8th November 1956, P. 4396.
45	Shorroock Mills Co-operative Consumers' Society Ltd.	..	Workmen	Ahmedabad	7 days	7 days, Acc. 21 days	..	(IT A) No. 61 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 9th October, 1958, P. 4839.

APPENDIX VI—contd.

Sr. No	Name of the concern	Type of workmen covered	Centre	Nature and quantum of Leave					Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of Leave		
1	2	3	4	5	6	7	8	9	
46	Shorrock Mills Co-operative Consumers' Society Ltd.	Workmen	Ahmedabad	7 days	..	7 days. Acc. 21 days.	..	(IT A) No. 61 of 1958, <i>Bombay Government Gazette</i> , Part, I-L, dated 22nd October 1959, P. 4703.	
47	Star of Gujarat Irani Restaurants	Workmen	Ahmedabad	7 days with full wages	..	7 days with full wages.	..	(IT-A) No. 6 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 1st November 1956, P. 4260.	
48	Shorrock Mills Co-operative Consumers' Society Ltd.	Workmen	Ahmedabad	..	Leave with wages as per Factories Act, 1948.	..	..	Settlement, dated 11th July 1959.	
49	Standard Apparels Co.	.. Workmen	Ahmedabad	5 days with full wages	..	..	..	Settlement, dated 20th June 1960, (C. No. 203 of 1959).	
50	Swastik Tiles Co.	.. Workmen	Ahmedabad	5 days with wages	..	5 days with wages Acc. 30 days.	..	(IT) No. 109 of 1957, Award, dated 31st October 1957, (Unpublished).	
51	Spun Pipe Construction Co. of India Ltd., Baroda, (Ahmedabad Branch)	Workmen	Ahmedabad	Workers will continue to get leave with wages as per the Indian Factories Act, 1948.	..	..	..	Settlement, dated 11th August 1954, (C. No. 45 of 1954).	
52	Spun Pipe Construction Co. of India Ltd., Baroda, (Ahmedabad Branch)	Workmen	Ahmedabad	..	..	10 days with half average pay.	..	(IT) No. 117 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 20th March 1958, P.1366.	
53	Spun Pipe Construction Co. of India Ltd., Baroda, (Surat Branch)	Workmen	Surat	..	..	7 days with wages Acc. 21 days.	..	Settlement, dated 11th February, 1957, (C. No. 143 of 1956).	
54	Spun Pipe Construction Co. of India Ltd., Surat	Workmen	Surat	7 days with pay	..	..	..	Settlement, dated 10th September 1954 (C. No. 1047 of 1954).	

55	Spun Pipe Construction Co. of India Ltd., Baroda	Workmen	Baroda	5 days with wages	..	5 days	..	Settlement, dated 26th April, 1960, (C. No. 32 of 1959).
56	Salt and Allied Industries Pvt. Ltd.	Workmen	Jamnagar	..	As per Factories Act, 1948.	10 days with half wages.	..	Agreement, dated 26th August 1957.
57	Sun Colours and Paints, Mfg. and Bhartendu Ind.	Workmen	Jamnagar	..	As per Factories Act, 1948	7 days with half wages and 7 days without wages.	..	Agreement, dated 12th October 1957.
T								
1	Tata Chemicals	Workmen	Mithapur	7 days with pay and dearness allowance	..	14 days on half pay inclusive of dearness allowance. Acc. 56 days on half pay.	..	Settlement, dated 18th April 1955.
2	Talod Municipality,	Workmen	Talod	The present practice of granting leave and the quantum will be continued.			..	(IT) No. 31 of 1959, Bombay Government Gazette, Part I-L, dated 2nd July 1959, P. 2838.
3	The Tiles and Potteries Works Co. Ltd.	Workmen	Bilimora	..	..	7 days with full pay or 14 days with half pay, Acc. for 2 years.	..	(IT) No. 192 of 1956, Bombay Government Gazette, Part I-L, dated 21st November 1957, P. 5153.
U								
1	Umadram K. Mistry and Sons	Workmen	Ahmedabad	7 days paid	..	7 days paid	..	(IT) No. 240 of 1958, Bombay Government Gazette, Part I-L, dated 27th November 1958, P. 5874.
2	Unza Municipality	Safai Kamdars	Unza	15 days	1 month on full pay	..	Maternity leave as per Bombay M. B. Act, 1929.	(IT) No. 150 of 1952, Bombay Government Gazette, Part I-L, dated 1st October 1953, P. 2142.
3	Upleta Municipality	Workmen	Upleta	All types of leave shall be granted as per Bombay Civil Services Rules.				(IT) No. 30 of 1956, Bombay Government Gazette, Part I-L, dated 8th August 1957, P. 3434.
5	Upleta Municipality	Workmen	Upleta	..	As per Bombay Civil Services Rules		..	Settlement, dated 13th November 1956.
4	Umrata Municipality	Safai Kamdars	Umrata	15 days			..	Settlement, dated 22nd April 1956.

APPENDIX VI—*conold.*

Sr. No.	Name of the concern	Type of workmen covered	Centre	Nature and quantum of Leave				Reference
				Casual Leave	Privilege Leave	Sick Leave	Other type of Leave	
1	2	3	4	5	6	7	8	9
6	United Salt Works and Industries.	Workmen	Kandla	10 days without pay	As per Factories Act, 1948.	10 days with half pay.	Sick leave without pay maximum 30 days.	AJU. No. 3757, <i>Bombay Government Gazette</i> , Part I-L, dated 12th December 1957, P. 5649.
		Supervisory Staff.		10 days with pay	30 days	15 days with half pay after 11 months' service.	..	
7	Upleta Gin Mill Co.,	Female workers.	Upleta	..	..	..	Maternity leave as per Bombay Maternity Benefit Act, 1929.	Settlement, dated 23rd April 1954.
1	Vasant Engineering Co. Ltd.	Workmen	Baroda	5 days paid	..	5 days. Acc. 15 days	..	(IT) No. 262 of 1958, Award, dated 30th April 1959, (Unpublished).
2	Vithal Oil Mills	Workmen	Baroda	5 days paid	..	5 days paid. Acc. 15 days.	..	(IT) No. 21 of 1958, Award, dated 1st July 1959, (Unpublished).
3	Vadnagar Municipality	Safai Kamdars	Vadnagar	15 days	15 days. Acc. 30 days	..	Maternity leave of 4 weeks with full pay and dearness allowance	(IT) No. 80 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 25th November, 1954, P. 3175.
4	Vijapur Municipality	Safai Kamdars	Vijapur	15 days	1 month	..	Maternity leave 6 weeks with full pay and dearness allowance	Settlement, dated 23rd December 1954, (C. No. 1082 of 1954).
5	Virangam Municipality	Safai Kamdars	Virangam	.	As per Rules of the Municipality like other municipal servants.	..	..	Settlement dated 5th January, 1954 (C. No. 81 of 1953).
6	Vasant Cinema	Workmen	Surat	7 days with full wages.	14 days with full wages. Acc. 28 days.	7 days with full wages Acc. 21 days.	..	Agreement, dated 12th March 1959.

7	Vasant Cinema	..	Workmen	Surat	7 days with full wages.	14 days with full wages. Acc. 28 days.	7 days with full wages. Acc. 21 days.	..	Agreement, dated 20th September, 1960.
8	Victory Talkies	..	Workmen	Surat	7 days with full wages.	14 days with full wages. Acc. 28 days.	7 days with full wages. Acc. 21 days.	..	Agreement, dated 20th September, 1960.
9	Victory Talkies	..	Workmen	Surat	7 days with full wages.	14 days with full wages. Acc. 28 days.	7 days with full wages. Acc. 21 days.	..	Agreement, dated 12th March 1959.
10	Vithaldas Makanji and Sons	..	Workmen	Navsari	7 days with full pay	..	7 days with full pay. Acc. 14 days.	..	(IT) No. 136 of 1957, dated 4th February 1958, (Unpublished).
11	Vasuki Carborandum Works	..	Workmen	Thangadh	6 days	..	6 days. Acc. 24 days	..	(II) No. 18 of 1958, Bombay Government Gazette, Part I-L, dated 25th September 1958, P. 4579.
12	Vallabhnagar Cement ducts.	Pro-	Workmen	Ahmedabad	5 days	..	5 days. Acc. 15 days	..	Settlement, dated 24th August 1960, (C. No. 47 of 1960).
13	Victoria Jubilee Hospital	..	Compounders	Ahmedabad	15 days with wages	30 days with wages	..	..	Settlement, dated 3rd October 1956. C. No. 120 of 1956.
			Menial Servants and the rest.		10 days with pay	30 days	20 days. Acc. as per Govt. Rules.	..	
			Sweepers and Ayahs.		..	..	..	..	Maternity leave of 4 weeks with pay.
1	Wankane Municipality	..	Naka Karkuns	Wankaner	Existing practice of 15 days to continue.	Existing practice of 15 days to continue.	..	..	ADJ. No. 58 of 1958, Bombay Government Gazette, Part I-L, dated 20th March 1958 P. 1383.
2	Wadhwan City Ginning and Pressing Factory and 10 other Factories		Workmen	Wadhwan City	..	As per Factories Act, 1948	..	..	Settlement, dated 24th August 1956.
1	Yamuna Mills Mal Puro Pad-nari Sahakari Mandali Ltd.		Workmen of canteen.	Baroda	..	As per Factories Act, 1948.	..	..	Settlement, dated 14th December 1955, (C. No. 240 of 1955).

**APPENDIX VII**  
**PAID HOLIDAYS**

Serial No.	Name of the concern	Workmen covered	No. of paid holidays	Reference
1	2	3	4	5
1	Ahmedabad General Engineering Works, Ahmedabad	Workmen	Three days	Settlement, dated 26th April 1960 (C. No. 17 of 1960).
2	Ambica Metal Works, Ahmedabad	Workmen	Four days	Settlement, dated 19th February, 1958 (C. No. 54 of 1958).
3	Ashok Brothers (Engineering), Ahmedabad	Workmen	Four days	Settlement, dated 18th July, 1958 (C. No. 86 of 1958).
4	Associated Motors Ltd., Ahmedabad	Workmen	Six days	Settlement, dated 23rd November, 1954 (C. No. 1083 of 1954).
5	A. J. and Co. Morvi	Workmen	Four days	Settlement, dated 26th September, 1957 (C. No. 59 of 1957).
6	A. J. and Co. Morvi	Workmen	One day	Settlement, dated 13th January, 1954.
7	Ahmedabad Victoria Iron and Works Co. Ltd., Ahmedabad	Workmen	Four days	(IT) 135 of 1956, Award, dated 14th November 1957 (Unpublished)
8	A. C. Division, C/o. Narlada Valley Chemical Industries, (P) Limited, Rajpipla.	Workmen	Three days	Settlement, dated 9th December, 1959 (C. No. 186 of 1959).
9	Ahmedabad Manufacturing and Calico Printing Co. Ltd., Calico Chemical Division, Ahmedabad.	Workmen	Four days	(IT) No. 20 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 24th January, 1957, Page 482.
10	Amrit Chemical, Ahmedabad	Workmen	Three days	Settlement, dated 12th July, 1960 (C. No. 98 of 1959).
11	Anil Starch Products Ltd., Ahmedabad	Workmen	Three days	(IT) No. 147 of 1953 <i>Bombay Government Gazette</i> , Part I-L, dated 5th August, 1954, p. 2023.
12	Ambica Vijay Oil Mills, Baroda	Workmen	Four days	(IT) No. 112 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 5th March, 1959 p. 960.
13	Ankleshwar Municipality, Ankleshwar	Safai Kamdars	Eight half days	(IT) No 151 of 1956, <i>Bombay Government Gazette</i> Part I-L, dated 28th March, 1957, p. 1730.
14	Arvind Mills Hospital, Ahmedabad	Workmen	Four days	Settlement, dated 21st September, 1956 (C. No. 119 of 1956).
15	Ahmedabad Picker Works, Ahmedabad	Workmen	Two days	Settlement, dated 24th August 1959 (C. No. 61 of 1959)
16	Allied Textile Leather Industry, Ahmedabad	Workmen	Four days	Settlement, dated 21st September 1961 (C. No. 142 of 1961).
17	Alembic Glass Industries, Baroda	Workmen	Five days	(IT) No. 359 of 1958, <i>Gujarat Government Gazette</i> , Part I-L, dated 24th September 1959, p. 4173.

18	Alembic Glass Industries, Baroda	..	..	..	Workmen	Six days	(IT) No. 40 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 29th July 1954, P. 1959.
19	Alembic Chemical Works, Baroda	..	..	..	..	Six days	(IT) No. 22 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 15th April 1954, P. 842.
20	Alembic Chemical Works, Baroda	..	..	..	Workmen	Five days	(IT) No. 344 of 1958, Award, dated 21st August 1959 (Unpublished).
21	Atul Products, Atul ..	..	..	..	..	Five days	(IT) No. 91 of 1956 <i>Bombay Government Gazette</i> , Part I-L, dated 22nd November 1956, P. 4536.
22	Aditya Mudranalaya, Ahmedabad	..	..	..	Workmen	Five days	(IT) No. 52 of 1958 <i>Bombay Government Gazette</i> , Part I-L, dated 27th September, 1958, P. 4553.
23	Aditya Mudranalaya, Ahmedabad	..	..	..	..	Five days	(IT) No. 52 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 17th December 1959, P. 5512.
24	Anand Press, Anand ..	..	..	..	Workmen	Twelve days	(IT) No. 402 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 3rd September 1959, P. 3864.
25	Ajay Printery Pvt. Ltd., Ahmedabad	..	..	..	..	Seven days	(IT) No. 43 and 56 of 1956, Award, dated 19th January 1960 (Unpublished).
26	Ambica Mills No. 3 Co-operative Consumers' Society Ltd., Baroda.	..	..	..	Workmen (Canteen)	As per practice in Textiles Mills at Baroda.	Settlement, dated 22nd November 1956.
27	Aryan Bobbin Industries, Bular ..	..	..	..	..	Three days	Settlement, dated 3rd June 1961 (C. No. 205 of 1960).
28	Asarwa Bobbin Works, Ahmedabad	..	..	..	..	Three days	(IT) No. 199 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 25th April 1957, p. 1967.
29	Alcock Cement Pipe & Concrete Works, Ahmedabad	..	..	..	Workmen	Three days	Settlement, dated 1st April 1960 (C. No. 170 of 1959).
30	Associated Cement Co. Ltd., Sevalia Cement Works, Sevalia	..	..	..	Workmen	Five days	Settlement, dated 22nd May 1956 (C. No. 187 of 1955).
<b>B</b>							
1	Bardoliwala Textile Engineering Works, Surat	..	..	..	Workmen	Three days	Settlement, dated 16th September 1961 (C. No. 19 of 1961).
2	Bharat Iron & Brass Foundries, Ahmedabad	..	..	..	Workmen	Four days	(IT) No. 63 of 1958, Award, dated 30th September 1958 (Unpublished).
3	Bhogilal Jethalal & Bros, Ahmedabad ..	..	..	..	Workmen	Four days	(IT) No. 64 of 1958, Award, dated 29th September 1958 (Unpublished).
4	B. K. Katha Manufacturing Co., Surat ..	..	..	..	Workmen	Four days	Settlement, dated 11th August 1960 (C. No. 101 of 1960).
5	Baroda Board and Paper Mills Ltd., Ahmedabad	..	..	..	Workmen	Five days	(IT) No. 54 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 18th September 1958, P. 4484.

## APPENDIX VII—contd.

Serial No.	Name of the concern	Workmen covered	No. of paid holidays	Reference
1	2	3	4	5
6	Bhadran Municipality, Bhadran ..	.. Safai Kamdars	Half holiday on each holiday granted to other municipal staff	Settlement, dated 4th March 1958 (C. No. 22 of 1958).
7	Balasnor Municipality, Balasnor ..	.. Safai Kamdars	Half holiday on all Public Holidays observed by the Municipality	(IT) No. 150 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 27th May 1954, P. 1323.
8	Bhavnagar Municipality, Bhavnagar ..	.. Old Fitter House workmen.	(Eight) days	(IT) No. 87 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 17th January 1957, P. 376.
9	Bharat Leather Co., Ahmedabad ..	.. Workmen	Four days	Settlement, dated 5th September 1958 (C. No. 59 of 1958).
10	Bhavnagar Salt and Industrial Works Private Ltd., Bhavnagar ..	.. Workmen	Five days	(IT) No. 72 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 19th June, 1958, P. 3148.
11	Bahadursinhji Printing Press, Palitana ..	.. Workmen	Six days	Settlement, dated 10th December 1958.
12	Becharadas Mills Employees' Co-operative Consumers' Society Ltd., Ahmedabad	Workmen	As per practice in Becharadas Spg. & Wvg. Mills, Ltd., Ahmedabad	Settlement, dated 23rd December 1959 (C. No. 116 of 1959).
13	Bharat Bobbin Works, Ahmedabad ..	.. Workmen	Six days	Settlement, dated 15th May 1957 (C. No. 9 of 1957).
14	Bhavnagar Oil Mills Pvt. Ltd., Bhavnagar ..	.. Workmen	Two days	Settlement, dated 12th September 1957.
15	Bharat Vijay Mills Employees' Co-operative Credit Society Ltd., Kalol.	Society Workmen	Two days	Settlement, dated 10th June 1955 (C. No. 151 of 1955).
C				
1	Cast Iron Foundry, Joravarnagar ..	.. Workmen	Four days	Settlement, dated 7th November 1959.
2	Chhotaudepur Municipality, Chhotaudepur ..	.. Safai Kamdars	Eight Half Holidays	Settlement, dated 20th January 1960 (C. No. 41 of 1959).
3	Chandbhai Brothers Co., Ahmedabad ..	.. Workmen	Four days	Settlement, dated 26th August 1958 (Case No. 148 of 1958).



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4	Commercial Ahmedabad Mills Co-operative Supply Society Ltd., Ahmedabad	Workmen (Canteen)	As per the practice in the Commercial Ahmedabad Mills at Ahmedabad	Settlement, dated 27th February 1961 (C. No. 46 of 1960).
5	Central Dyes Products Private Ltd., Bhavnagar	..	Workmen	Agreement, dated 27th October 1961.
6	Chimanlal Jaychand, Ahmedabad	..	Workmen	(IT) No. 59 of 1958, Award, dated 15th September 1958 (Unpublished).
<b>D</b>				
1	Damodardas Himatlal Iron & Brass Factory, Ahmedabad	..	Workmen	Settlement, dated 17th September 1957 (C. No. 20 of 1957).
2	Dinubhai G. Desai & Co., Ahmedabad	..	Workmen	Settlement, dated 30th September 1957 (C. No. 31 of 1957).
3	Dhiraj Metal Works, Rajkot	..	Workmen	Settlement, dated 25th February 1953.
4	Dhiraj Metal Works, Rajkot	..	Workmen	Settlement, dated 10th April 1957.
5	Dalpatram Girdharlal's Factory, Ahmedabad	..	Workmen	Settlement, dated 14th October 1958.
6	Dhrangadhra Chemical Works, Dhrangadhra	..	Clerks working in ordinary shifts	1954, <i>Saurashtra Government Gazette</i> , Part V, Page 1564.
7	Dohad Municipality, Dohad	..	Sweepers and Eleven Half days Scavengers	Settlement, dated 19th June 1959 (C. No. 45 of 1959).
8	Dabhoi Municipality, Dabhoi	..	Workmen	(IT) No. 96 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 17th January 1957, Page 292.
9	Durga Wood Works, Limbdi	..	Workmen	Settlement, dated 18th September 1961.
10	Digvijay Tiles & Potteries Ltd., Jamnagar	..	Workmen	Settlement, dated 30th July 1957.
11	Dehgam Municipality, Dehgam	..	Safai Kamdars	Settlement, dated 14th April 1960 (C. No. 69 of 1960).
<b>E</b>				
1	Eastern Stores Co., Ahmedabad	..	Workmen	Settlement, dated 23rd November 1954 (C. No. 178 of 1954).
<b>F</b>				
1	Forge & Blower Co., Ahmedabad	..	Workmen	(IT) No. 3 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 9th June 1955, P. 1676.

## APPENDIX VII - contd.

Serial No.	Name of the concern	Workmen covered	No. of paid holidays	Reference
1	2	3	4	5
<b>G</b>				
1	Gajjar Bobbin Ring Works and Ghanshyam Metal Rolling Works, Ahmedabad.	Workmen	Three days	Settlement, dated 2nd September 1959, (C. No. 93 of 1959).
2	Gujarat Engineering Co., Ahmedabad	..	..	(IT) No. 218 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 17th September 1959, P. 4096.
3	Glue Products Pvt. Ltd., Cambay	..	..	Settlement, dated 10th September 1960 (C. No. 158 of 1960).
4	Gujarat Oil Mills, and Mfg. Co. Ltd., Ahmedabad	..	..	(IT) No. 28 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 27th September 1956, P. 3526.
5	Gujarat Paper Mills Ltd., Barejadi	..	..	(IT) No. 174 of 1959, <i>Gujarat Government Gazette</i> , Part I-L, dated 30th November 1961, P. 2868.
6	Godhra Municipality, Godhra	..	..	(IT) No. 142 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 15th July 1954, P. 1782.
7	Gandevi Municipality, Gandevi	..	..	Settlement, dated 24th December 1954.
8	Gulabbai General Hospital, Ahmedabad	..	..	Settlement, dated 18th April 1960 (C. No. 37 of 1960)†
9	Graduate Pickers Works, Ahmedabad	..	..	Settlement, dated 30th March 1959 (C. No. 25 of 1959)
10	Gati Prakashan Ltd., Ahmedabad	..	..	(IT) No. 68 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 14th October 1954, P. 2808.
11	Geeta Dharna Press, Ahmedabad	..	..	(IT) No. 124 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 27th September 1956, P. 3546.
12	Gujarat Rubber Works Ltd., Baroda	..	..	(IT) No. 167 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated, 26th May 1955, P. 1486.
13	Girdhardas Harivallabhdas Mills Employees' Co-operative Consumers Society Ltd., Ahmedabad.	..	..	Settlement, dated 23rd December 1959 (C. No. 182 of 1959).
14	Gandhi Lati Company, Mahuva	..	..	Settlement, dated 22nd July 1955.

15	Gujarat Cement Pipe Co., Ahmedabad	..	..	Workmen	Three days.	Settlement, dated 29th November 1960 (C. No. 88 of 1960).
<b>H</b>						
1	Himatnagar Municipality, Himatnagar	..	..	Workmen	Half holiday on Public Holidays.	Settlement, dated 21st December 1953 (C. No. 77 of 1953).
2	H. Mansuri & Sons, Ahmedabad	..	..	Workmen	Two days	Settlement, dated 14th July 1959 (C. No. 110 of 1959).
3	Hide and Leather Pvt. Ltd., Palanpur	..	..	Workmen	Four days	Settlement, dated 11th October 1961 (C. No. 85 of 1961).
4	Halar Salt & Chemical Works, Jamnagar	..	..	Workmen	Six days	Agreement, dated 25th March 1958.
5	Humidifying & Vacuum Cleaning Plant Factory, Ahmedabad	..	..	Workmen	Four days	Settlement, dated 15th May 1956 (C. No. 270 of 1955).
<b>I</b>						
1	Indian Extraction Pvt. Ltd., Jamnagar	..	..	Workmen	Five days	Agreement, dated 11th November 1957.
2	Idar Municipality, Idar	..	..	Safai Kamdars	Half holiday on Public Holidays observed by the Municipality.	Settlement, dated 21st December 1953 (C. No. 85 of 1953).
3	I. B. Bobbin Works, Ahmedabad	..	..	Workmen	Two days	(IT) No. 40 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 4th August 1955, P. 2418.
4	Indian Hume Pipe Co., Jamnagar	..	..	Workmen	Four days	Agreement, dated 25th September 1958.
<b>J</b>						
1	Jaswant Iron & Textile Works, Ahmedabad	..	..	Workmen	Three days	Settlement, dated 26th September 1957 (C. No. 115 of 1957).
2	Jaswant Iron & Textile Works, Ahmedabad	..	..	Workmen	Three days	Agreement, dated 28th March 1958.
3	Jyoti Limited, Baroda	..	..	Workmen	Four days	Settlement, dated 26th February 1955 (C. No. 1044 of 1954).
4	Jagdish Oil Industries Pvt. Ltd., Porbandar	..	..	Workmen	Five days	Settlement, dated 4th September 1959.
5	Jayant Oil Mills, Jamnagar	..	..	Workmen	Five days	Settlement, dated 5th August 1957.
6	Jayant Oil Mills, Jamnagar	..	..	Workmen	Five days	Settlement, dated 10th July 1958.
7	Jamnagar Borough Municipality, Jamnagar	..	..	Nakadars	Eight days	A.D.T. No. 12 of 1953, <i>Saurashtra Government Gazette</i> , Part V, dated 12th May, 1954 P. 806.
8	Jafrabad Municipality, Jafrabad	..	..	Safai Kamdars	Half day on Gazetted Holidays	Settlement, dated 13th December 1955.
9	Jamnagar Borough Municipality, Jamnagar	..	..	Sanitary Workmen.	do.	Settlement, dated 9th June 1958.
10	J. Mansuri Leather Works, Ahmedabad.	..	..	Workmen	Two days	Settlement, dated 14th May 1959 (C. No. 78 of 1959).

APPENDIX VII—*contd.*

Serial No. 1	Name of the concern 2	Workmen covered 3	No. of paid holidays 4	Reference 5
11	Jai Hind Leather Works, Kalol ..	.. Workmen	Two days	Settlement, dated 23rd March 1959. (C. No. 6 of 1959).
12	Jay Laxmi Salt Works, Pvt. Ltd., Jamnagar ..	.. Workmen	Five days	Agreement, dated 15th October 1956.
13	Jansatta Karyalaya, Ahmedabad ..	.. Workmen	Six days	(IT) No. 151 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 10th January 1957, P. 174.
14	Jai Hind Printing Press, Rajkot ..	.. Workmen	Six days	Settlement, dated 10th November, 1955.
15	Jagjivan Printing Press, Botad ..	.. Workmen	Eight days	Settlement, dated 11th January, 1956.
16	Jay Hind Publications, Rajkot ..	.. Workmen	Six days	Settlement, dated 6th August 1955.
17	Jay Bharat Rubber & Plastic Industries, Rajkot ..	.. Workmen	Two days	Adj. No. 29 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 20th December 1956, Page. 5102.
18	Jehangir Vakil Mills Employees' Co-operative Supply Society Ltd., Ahmedabad.	Workmen	As per practice in Jehangir Vakil Mills at Ahmedabad.	Settlement, dated 30th September 1959 (C. No. 161 of 1959).
19	Jayant Oil Mills, Jamnagar ..	.. Kandars	Five days	Agreement, dated 17th June 1957.
20	Jamnagar Minerals and Development Syndicate, Jamnagar ..	.. Workmen	Five days	Agreement, dated 12th October 1957.
<b>K</b>				
1	Khadi Saranjam Karyalaya, Ahmedabad ..	.. Workmen	Four days	Settlement, dated 23rd September 1958 (C. No. 89 of 1958).
2	Kathiavar Metal and Tin Works, Rajkot ..	.. Workmen	Four days	Settlement, dated 18th February 1957.
3	Kanti Oil Mills, Jamnagar ..	.. Workmen	Five days	Settlement, dated 8th August 1958.
4	Kathiavar Colour Agency, Pvt. Ltd., Jamnagar ..	.. Workmen	Five days	Settlement, dated 27th December 1957.
5	Kitabghar Printery, Rajkot ..	.. Workmen	Eight days	Settlement, dated 3rd January 1956.
6	Kalol Mills Employees' Co-operative, Credit and Supply Society Ltd., Kalol	Workmen	As per practice in the Kalol Mills Pvt. Ltd., at Kalol	Settlement, dated 13th April 1961 (C. No. 27 of 1961).

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7	Kaira District Co-operative Milk Producers' Union Ltd., Anand	..	Workmen	Five days	Settlement, dated 17th January 1956 (C. No. 206 of 1955).
8	Kalpana Printery, Ahmedabad..	..	Workmen	Four days	Settlement, dated 15th June 1956 (C. No. 250 of 1955).
<b>L</b>					
1	Laxmi Vijay Iron and Brass Factory, Ahmedabad	..	Workmen	Four days	(IT) No. 55 of 1958, Award, dated 30th August 1958. (Unpublished)
2	Laxmi Oil Mills, Jamnagar	..	Workmen	Five days	(IT) No. 44 of 1950, Award, dated 2nd September 1959. (Unpublished)
3	Lunawada Municipality, Lunawada	..	Workmen City Department	Three days	(IT) No. 136 of 1958, Award, dated 8th July 1958. (Unpublished).
4	Lunawada Municipality, Lunawada	..	Safai Kamdars	Half holiday on Public Holidays	(IT) No. 39 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 16th July 1953. P. 1600.
5	Lord Kin Printery, Ahmedabad	..	Workmen	Three days	Settlement, dated 11th January 1955 (C. No. 1066 of 1954).
6	Laxmi Flooring Tiles Co., Surat	..	Workmen	Two days	(IT) No. 243 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 25th September 1958, P. 4587.
7	Laxmi Vijay Iron & Brass Works, Baroda	..	Workmen	Four days	Settlement, dated 27th May 1955. (C. No. 152 of 1955).
1	Mangaldas Jethabhai & Sons, Iron & Brass Factory No. 2, Ahmedabad	..	Workmen	Four days	(IT) No. 71 of 1958, Award, dated 30th October 1958. (Unpublished).
2	Mangaldas Jethabhai & Sons, Iron & Brass Factory No. 1, Ahmedabad.	..	Workmen	Four days	(IT) No. 150 of 1957, dated 29th November 1957. (Unpublished).
3	Metal Moulders Pvt. Ltd., Ahmedabad	..	Workmen	Four days	(IT) No. 75 of 1957, Award, dated 23rd November 1957. (Unpublished)
4	M. M. Panchal Factories Nos. 1 and 2, Ahmedabad	..	Workmen	Four days	(IT) No. 243 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 20th November 1958, P. 5694.
5	Mahalaxmi Vijay Iron & Brass Factory, Ahmedabad	..	Workmen	Four days	(IT) No. 53 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 18th September 1958, P. 4494.
6	Machinery Supply Co., Ahmedabad	..	Workmen	Four days	Settlement, dated 14th February 1956.
7	M. Sharma & Co., Bhavnagar	..	Workmen	Four days	Settlement, dated 27th January 1956.
8	Maize Products, Ahmedabad	..	Workmen	Two days	(IT) No. 46 of 1960, <i>Bombay Government Gazette</i> , Part I-L, dated 1st June 1961. P. 1241.
9	Madhusudan Oil Products, Talod	..	Workmen	Three days	(IT) No. 112 of 1957, Award, dated 23rd November 1957 (Unpublished).
10	Merchant Oil Mills, Bhavnagar	..	Workmen	Three days	Settlement, dated 14th October 1953.

## APPENDIX VII—contd.

Serial No.	Name of the concern	Workmen covered	No. of paid holidays	Reference
1	2	3	4	5
11	Mohamadi Oil Mills ..	..	Three days	Settlement, dated 30th January 1955.
12	M. Chisty Pickers Works ..	..	Two days	Settlement, dated 21st September 1959 (C. No. 63 of 1959).
13	Mayoor Printery, Ahmedabad ..	..	Three days	Settlement, dated 11th January 1955 (Case No. 1065 of 1954.)
14	Manorath Printery, Ahmedabad ..	..	Seven days	Settlement, dated 12th December 1955 (C. No. 201 of 1955).
15	Mahalaxmi Industries, Bhavnagar ..	..	Five days	Settlement, dated 5th May 1955.
16	Mahagujarat Tiles and Marble Co., Ahmedabad ..	..	Two days	(IT) No. 55 of 1958 <i>Bombay Government Gazette</i> , Part I-L, dated 22nd May 1958, P. 2634.
17	Mehta Tiles Factory, Ahmedabad No. 1 and 2 ..	..	Two days	(IT) No. 62 of 1957, Award, dated 29th July, 1957 (Unpublished).
18	Mahalaxmi Roller Flour and Oil Mills, Surendranagar ..	..	Four days	Settlement, dated 13th November 1959.
19	Maliya Miyana Saher Sudhrail, Maliya Miyana ..	..	Half day on Public Holidays	Agreement, dated 18th December 1961.
20	Mehsana Municipality ..	..	do.	(IT) No. 141 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 13th May 1954, P. 1103.
1	New India Engineering Corporation, Ahmedabad ..	..	Four days	(IT) No. 84 of 1958, Award, dated 9th October 1958, (Unpublished)
2	Nagardas Becharadas & Bros., Ahmedabad ..	..	Four days	Settlement, dated 14th April 1958 (C. No. 72 of 1958).
3	Nanuram Gashiram Moulding Works, Ahmedabad ..	..	Four days	Settlement, dated 27th June 1956 (C. No. 21 of 1956.).
4	Naran Lala Metal Works, Navsari ..	..	Three days	Settlement, dated 23rd March 1961 (C. No. 269 of 1960).
5	National Motor Engineering Works, Surat ..	..	Three days	Settlement, dated 10th November 1960 (C. No. 97 of 1960).
6	National Shuttle Mfg. Works, Ahmedabad ..	..	Four days	(IT) No. 58 of 1958 <i>Bombay Government Gazette</i> , Part I-L, dated 18th September 1958, P. 4449.
7	New Bharat Engineering Works, Jamnagar ..	..	Five days	Settlement, dated 5th May 1961.
8	Narbada Valley Chemical Industries Ltd. Rajpipla ..	..	Five days	(IT) No. 103 of 1955 <i>Bombay Government Gazette</i> , Part I-L, dated 17th May 1956, P. 1759

9	New Bharat Glue Mfg. Co., Ahmedabad	..	..	..	Workmen	Four days	Settlement, dated 29th May 1961 (C. No. 131 of 1961).
10	Natwar Oil Mills Baroda,	..	..	..	Workmen	Four days	(IT) No. 54 of 1958 <i>Bombay Government Gazette</i> , Part I-L, dated 7th August 1958, P. 3816.
11	Nadiad Oil Mills, Nadiad	..	..	..	Workmen	Five days	Settlement, dated 4th May 1957 (C. No. 40 of 1957).
12	N. S. P. Straw and Paper Products Pvt. Ltd., Digendranagar	..	..	..	Workmen	Five days	(IT-G) No. 8 of 1961, Award, dated 27th September 1961 (Unpublished).
13	New India Pickers Co., Ahmedabad	..	..	..	Workmen	Four days	Settlement, dated 4th September 1958, (C. No. 152 of 1958)
14	Nutan Saurashtra Daily and Prem Sagar Press, Rajkot	..	..	..	Workmen	Seven days	Settlement, dated 9th November 1955.
15	New India Industries Employees' Co-operative Credit Society Ltd., Baroda	..	..	..	Workmen in Canteen	On the same basis as in New India Industries Ltd., at Baroda	Settlement, dated 6th February 1961. (C. No. 330 of 1960)
16	New India Industries Employees' Co-operative Credit Society Ltd., Baroda.	..	..	..	Workmen in Canteen	On same basis as in New India Industries Ltd., at Baroda	Settlement, dated 4th October 1957.
17	New Phoenix Pottery Co., Gandevi	..	..	..	Workmen	Four days	(IT) No. 190 of 1959, Award, dated 11th March 1961, (Unpublished).
18	Navroji N. Vakil & Co., Ahmedabad	..	..	..	Workmen	Two days	(IT-G) No. 30 of 1960, Award, 22nd March 1961 (Unpublished).
1	Omkar Iron and Brass Factory, Ahmedabad	..	..	..	Workmen	Four days	Settlement, dated 7th October 1958 (C. No. 194 of 1958).
2	Ojas Cosmetic and Pharmaceuticals Corporation Factory, No. 2, Ahmedabad.	..	..	..	Workmen	Two days	(IT) No. 35 of 1957, Award, dated 31st July 1957 (Unpublished).
1	Panchal Engineering Works, Bular	..	..	..	Workmen	Three days	Settlement, dated 3rd June 1961 (C. No. 281 of 1960).
2	Panchal Engineering Works, Ahmedabad	..	..	..	Workmen of 2 factories at Ahmedabad.	Four days	(IT) No. 84 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 10th January 1957, P. 167.
3	Patel Tin Manufacturing Co., Ahmedabad	..	..	..	Workmen	Five days	Settlement, dated 8th December 1961 (C. No. 75 of 1961).
4	Punjab Steel Rolling Mills, Co., Ltd., Baroda	..	..	..	Workmen	Four days	Settlement, dated 3rd September 1956 (C. No. 80 of 1956)
5	Pyareali Gulamhusein Surani, Motera, ( District Ahmedabad )	..	..	..	Workmen	Two days	(IT) No. 87 of 1960, Award, dated 10th April 1961 (Unpublished).
6	Punjabhai Vannalidas, & Sons, Ahmedabad	..	..	..	Workmen	Four days	(IT) No. 207 of 1956, Award, dated 26th September, 1957 (Unpublished).
7	Patel Engineering Co., ( Saurashtra ) Ltd., Rajkot	..	..	..	Workmen	Three days	Settlement, dated 25th May 1956.

## APPENDIX VII—contd.

Serial No.	Name of the concern	Workmen covered	No. of paid holidays	Reference
1	2	3	5	5
8	Petlad Turkey Red-Dye Works, Petlad	.. Workmen	Four days	(IT) No. 239 of 1959, <i>Gujarat Government Gazette</i> , Part I-L, dated 17th August 1961, P. 1853.
9	Petlad Turkey Red-Dye Works, Petlad	.. Workmen	Two days	(IT) No. 106 of 1952, <i>Bombay Government Gazette</i> Part I-L, dated 26th February 1953, P. 490.
10	Polson Model Dairy, Anand	.. Workmen	Three days	Settlement, dated 20th November 1954 (C. No. 182 of 1954).
11	Polson Model Dairy, Anand	.. Workmen	Four days	Settlement, dated 8th November 1956 (C. No. 176 of 1956).
12	Polson Model Dairy, Anand	.. Workmen	Four days	(IT) No. 169 of 1959, Award, dated 30th November 1959, (Unpublished).
13	Patel Oil Mills, Rajkot	.. Workmen	Four days	Settlement, dated 2nd August 1957.
14	Patel Oil Mills, Jamnagar	.. Workmen	Five days	Settlement, dated 24th March 1958.
15	Padra Municipality, Padra	.. Safai Kamdars	Half holiday on Public Holidays.	(IT) No. 139 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 13th August 1958, P. 1788.
16	Palanpur Municipality, Palanpur	.. Oetroi Staff	Twelve days	(IT) No. 4 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 5th May, 1955, P. 1235.
17	Palanpur Municipality, Palanpur	.. Sanitation Staff.	All Public Holidays observed.	Settlement, dated 24th February 1954.
18	Palitana Municipality, Palitana	.. Workmen (Safai Kamdars).	Half day on Gazetted Holidays.	Settlement, dated 29th July 1953.
19	Patan Municipality, Patan	.. Workmen	Three days	(IT) No. 239 of 1957, Award, dated 4th March 1958. (Unpublished).
20	Patel and Parmar Works, Ahmedabad	.. Workmen	Two days	Settlement, dated 7th August 1959 (C. No. 62 of 1959).
21	P. Tex India Pickers Works, Ahmedabad	.. Workmen	Two days	Settlement, dated 30th May 1959 (C. No. 79 of 1959).
22	Parshuram Pottery Works Co. Ltd., Morvi	.. Workmen	Four days	(IT) No. 15 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 1st August, 1957, P. 3332.
23	Parshuram Pottery Works Co. Ltd., Dhrangadhra	.. Workmen	Six days	(IT) No. 82 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 7th February 1957, P. 743.
24	Prajapati Tiles Co., Morvi	.. Workmen	Five days	Settlement, dated 19th December 1960.



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25	Prajapati Tiles Co., Morvi	..	..	..	Workmen	Four days	Agreement, dated 31st July 1961.
<b>R</b>							
1	Rajkot Iron and Brass Works, Rajkot	..	..	..	Workmen	Four days	(IT) No. 47 of 1959, Award, dated 15th October 1959, (Unpublished)
2	R. M. Engineering Works, Ahmedabad	..	..	..	Workmen	Three days	Settlement, dated 16th January 1958 (C. No. 5 of 1958).
3	R. M. Engineering Works, Ahmedabad	..	..	..	Workmen	Three days	Settlement, dated 8th May 1956, (C. No. 166 of 1955).
4	Raghuvir Industries, Rajkot	..	..	..	Workmen	Four days	Settlement, dated 21st June 1958.
5	Rajnikant Bobbin Factory, Ahmedabad	..	..	..	Workmen	Six Days	(IT) No. 68 of 1958, Award, dated 3rd February 1959 (Unpublished).
6	Rally Metal Works, Ahmedabad	..	..	..	Workmen	Three days	Settlement, dated 11th March 1958 (C. No. 57 of 1958).
7	Radia Oil Mill, Rajkot	..	..	..	Workmen	Four days	Settlement, dated 25th September 1957 (C. No. 15 of 1957).
<b>S</b>							
1	Sakya Narayan Brass and Iron Factory, Ahmedabad	..	..	..	Workmen	Four days	Settlement, dated 2nd September 1958 (C. No. 151 of 1958).
2	Shakti Engineering Works Pvt. Ltd., Baroda	..	..	..	Workmen	Four days	(IT) No. 290 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 4th September, 1958, P. 4358.
3	Spun Pipe Construction Co. of India Ltd., Ahmedabad Branch	..	..	..	Workmen	Three days	(IT) No. 117 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 20th March, 1958, P. 1367.
4	Star Welding and Boiler Repairing Works, Ahmedabad	..	..	..	Workmen	Two days	Settlement, dated 10th June 1958 (C. No. 129 of 1958).
5	Swastik Engineering Manufacturing Co. Pvt. Ltd., Baroda	..	..	..	Workmen	Four days	Settlement dated 6th June 1957, (C. No. 114 of 1956).
6	Swastik Textile Trading Co. Pvt. Ltd., Ahmedabad	..	..	..	Workmen	Three days	(IT) No. 111 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 27th December 1956, P. 5155-56.
7	Saurashtra Industries Ltd., Jamnagar	..	..	..	Workmen	Four days	Settlement, dated 24th April, 1956.
8	Sharma Rolling Mills, Bhavnagar	..	..	..	Workmen	Four days	Settlement, dated 27th January, 1956.
9	Shaw Wallace and Co. Ltd., Glue Factory, Cambay	..	..	..	Workmen	Four days	(IT) No. 231 of 1958, Award, dated 10th September 1958, Unpublished.
10	Satyadev Chemical Works Ltd., Baroda	..	..	..	Clerks working in ordinary Shifts.	Two days	Settlement, dated 24th August 1954.
11	Sabarnati Oil Mills, Sabarnati	..	..	..	Workmen	Four days	(IT) No. 94 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 22nd November 1956, P. 4530.

## APPENDIX VII—contd.

Serial No. 1	Name of the concern 2	Workmen covered 3	No. of paid holidays 4	Reference 5
12	Shri Swadeshi Rice, Pulse and Oil Mills, Ahmedabad	..	Four days	Settlement, dated 5th September 1956 (C. No. 108 of 1956)
13	Shatrushailiasinhji Oil Mills, Jamnagar	..	Five days	Settlement, dated 22nd July, 1958.
14	Sanand Municipality, Sanand	..	Safai Kamdars Half holiday on those days the Municipal officer observes a full holiday.	(IT) No. 148 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 23rd April, 1953, P. 934.
15	Surat Municipality, Surat	..	Workmen Six days.	(IT) No. 105 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 22nd December, 1955, P. 3990.
16	Savarkundla Municipality, Savarkundla	..	Safai Kamdars Half day on Holidays	Settlement, dated 6th September, 1955.
17	Sihor Municipality, Sihor	..	Workmen of Holiday on Gazetted Water Works Department	Settlement, dated 28th July, 1957.
18	Sihor Municipality, Sihor	..	Safai Kamdars Half day on Public Holidays.	Settlement, dated 8th May 1954.
19	Sojitra Municipality, Sojitra	..	Safai Kamdars Half holiday on Public Holidays.	Settlement, dated 21st December 1953 (G. No. 82 of 1953)
20	Scientific Soap Works, Ahmedabad	..	Soap Workers Three days	Settlement, dated 1st March 1956 (C. No. 266 of 1955).
21	Sandesh Limited, Ahmedabad	..	Workmen Present practice to continue.	(IT) No. 123 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 24th May, 1956, P. 1850.
22	Shanti Vijay Printing Press, Ahmedabad	..	Workmen Six days	Settlement, dated 7th January 1960 (C. No. 164 of 1959).
23	Sastu Sahitya Mudranalaya, Ahmedabad	..	Workmen Eight days	Settlement, dated 27th April 1957 (C. No. 195 of 1956).
24	Sastu Sahitya Mudranalaya, Ahmedabad	..	Clerks, proof readers, and peons. Eight days	Settlement, dated 6th November, 1958.
25	Sharda Mudranalaya, Ahmedabad	..	Workmen Seven days	Settlement, dated 8th October, 1956. (Case No. 144 of 1956.)
26	Suryaprakash and Advance Printeries, Ahmedabad	..	Workmen Six days	Settlement, dated 19th January 1955 (C. No. 1064 of 1954)
27	Shantilal Chandrakant Printing Press	..	Workmen Six days	Settlement, dated 29th April, 1954.

28	Suhrid Geigy Ltd., Baroda	..	..	..	Workmen	Fifteen days	Settlement, dated 6th December, 1961.
29	Standard Apparels Co., Ahmedabad	..	..	..	Workmen	Eight days	Settlement, dated 20th June 1960 (C. No. 203 of 1959).
30	Swastik Tiles Co., Ahmedabad	..	..	..	Workmen	Two days	(IT) No. 109 of 1957, Award, dated 31st October 1957 (Unpublished).]
31	Spun Pipe Construction Co. Pvt. Ltd., Baroda	..	..	..	Workmen	Three days	Settlement, dated 26th April 1960 (C. No. 32 of 1959).
32	Spun Pipe Construction Co. Pvt., Ltd., Surat	..	..	..	Workmen	Four days	Settlement, dated 11th April 1956 (C. No. 49 of 1956).
33	Spun Pipe Construction Co., (Baroda) Ltd., Ahmedabad Branch	..	..	..	Workmen	Three days	(IT) No. 117 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 20th March, 1958 P. 1367.
34	Scientific Mechanic Works, Surendranagar	..	..	..	Workmen	Four days	Settlement, dated 3rd December, 1959.
35	Sun Colours and Paints Manufacturing and Bhartendu Industries, Jamnagar.	..	..	..	Workmen	Five days	Agreement, dated 12th October, 1957.
36	Salt and Allied Industries Pvt. Ltd., Jamnagar	..	..	..	Workmen	Five days	Agreement, dated 26th August, 1957.
37	Sanitex Chemical Industries Ltd., Baroda	..	..	..	Workmen	Five days	Settlement, dated 24th January, 1956 (C. No. 184 of 1955).
38	Salvation Army Emory Hospital, Anand	..	..	..	Workmen	Seven days	(IT) No. 71 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 8th November, 1956, P. 4411.
1	Tata Chemicals Ltd., Mithapur	..	..	..	Workmen	Six days	Settlement, dated 18th April, 1955.
2	Talaja Municipality, Talaja	..	..	..	Safai Kamdars	Half day on holidays	Settlement, dated 5th April, 1954.
3	Tarun Commercial Mills Employees' Co-operative Supply Ltd., Ahmedabad.	..	..	..	Society	As per practice in the Tarun Commercial Mills, at Ahmedabad.	Settlement, dated 30th September 1959 (C. No. 162 of 1959).
4	Tiles and Potteries Works Co. Ltd., Bilimora	..	..	..	Workmen	Four days	(IT) No. 192 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 21st November, 1957, P. 5153.
1	Unedram K. Mistry and Sons, Ahmedabad	..	..	..	Workmen	Four days	(IT) No. 240 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 27th November, 1958, P. 5873.
2	Umrani Brothers, Surendranagar	..	..	..	Workmen	Four days	Settlement, dated 30th October, 1959.
3	Unza Municipality, Unza	..	..	..	Safai Kamdars	Ten half holidays	(IT) No. 150 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 1st October, 1953, P. 2142.
4	Unza Pharmacy Ltd., Unza	..	..	..	Workmen	Six days	Settlement, dated 18th March 1955.
5	Unza Pharmacy Ltd., Unza	..	..	..	Workmen	Six days	(IT) No. 121 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 14th February, 1957, P. 791.
6	Unza Pharmacy Ltd., Unza	..	..	..	Workmen	Six days	Settlement, dated 14th April 1960 (C. No. 8 of 1960).

APPENDIX VI—*conold.*

Serial No.	Name of the concern	Workmen covered	No. of paid holidays	Reference
1	2	3	4	5
7	Universal Textile Bobbin Co., Madhada	..	Two days.	Settlement, dated 20th August, 1956.
8	Universal Engineering Works, Rajkot	..	Four days.	Settlement, dated 16th April, 1959.
V				
1	Vasant Engineering Ltd., Baroda	..	Four days.	(IT) No. 114 of 1954, <i>Bombay Government Gazette.</i> , Part I-L, dated 27th January, 1955, P. 280.
2	Vithal Oil Mills, Baroda	..	Four days.	(IT) No. 21 of 1958, Award, dated 1st July, 1959 (Unpublished).
3	Vadnagar Municipality, Vadnagar	..	As per Municipal Rules, (i. e. Half holiday on Public Holidays).	(IT) No. 80 of 1954, <i>Bombay Government Gazette.</i> , Part I-L, dated 25th November, 1954, P. 3175.
4	Vijapur Municipality, Vijapur	..	Safai Kamdars Half holiday on Public Holidays.	Settlement, dated 23rd December, 1954.
5	Vasant Printing Press, Botad	..	Fifteen days.	Settlement, dated 29th March, 1956.
6	Victory Wood Works, Ahmedabad	..	Five days.	Settlement, dated 31st January 1959 (C. No. 3 of 1959).
7	Vasuki Carborandum Works, Thangadh	..	Four days	(IT) No. 18 of 1958, <i>Bombay Government Gazette.</i> , Part I-L, dated 25th September, 1958, P. 4579.
8	Vallabhnagar Cement Products, Ahmedabad	..	Three days	Settlement, dated 24th August 1960 (C. No. 47 of 1960).
9	Victoria Jubilee Hospital, Ahmedabad	..	Fourteen days	Settlement, dated 3rd October 1956 (C. No. 120 of 1956).
W				
1	Wankaner Municipality	..	Naka Karkuns or Nakadars Twelve days	(IT) No. 58 of 1956, <i>Bombay Government Gazette.</i> , Part I-L, dated 20th March, 1958, P. 1383.

## APPENDIX VIII

**AGREEMENT BETWEEN THE AHMEDABAD MILLOWNERS' ASSOCIATION, AHMEDABAD AND THE TEXTILE LABOUR ASSOCIATION, AHMEDABAD, REGARDING FIVE YEAR BONUS FOR THE YEARS FROM 1953 TO 1957, DATED 27TH JUNE, 1955.**

**AGREEMENT**

Whereas the Textile Labour Association, Ahmedabad a Representative Union for the local area of Ahmedabad, under the Bombay Industrial Relations Act, 1946, has given a notice in form "L" dated the 24th June, 1955 to the Ahmedabad Millowners' Association, Ahmedabad, representing its local member mills desiring a change that certain definite principles, procedure and method should be decided by both the Associations for adoption in future for a period of five years from 1953 to 1957, both inclusive, for grant of Bonus to the employees of the Cotton Textile Mills of Ahmedabad which are members of the Ahmedabad Millowners' Association, and

Whereas the Ahmedabad Millowners' Association and the Textile Labour Association, without renouncing the general principles enunciated in decisions and Awards of the Arbitration Boards, the Industrial Court, the Labour Appellate Tribunal and the Supreme Court in respect of Bonus for the rights and privileges created thereunder but only with a view to creating good will among workers and for the purpose of maintaining peace in the Industry, have decided to arrive at a mutual arrangement in the matter of the demand of the Textile Labour Association as contained in its aforesaid notice in form "L".

Now, therefore, it is agreed between the Ahmedabad Millowners' Association, on behalf of its local member mills, and the Textile Labour Association, a representative union, as under:—

1. That this Agreement shall apply to Bonus claims in respect of years 1953, 1954, 1955, 1956 and 1957 in case of each individual member mill. Such claims shall be considered on basis of the result of working of the concern during the year as disclosed in the published balance sheet and profit and loss a/c for the year (1) ending 31st December, 1953, 31st December, 1954, 31st December, 1955, 31st December, 1956 and 31st December, 1957 in case of mills whose accounting year begins on 1st January, (2) ending 31st March 1954, 31st March 1955, 31st March 1956, 31st March 1957 and 31st March 1958 in case of mills whose accounting year begins on 1st April, (3) ending 30th June 1953, 30th June 1954, 30th June 1955, 30th June 1956 and 30th June 1957 in case of mills whose accounting year begins on 1st July and (4) ending 30th September 1953, 30th September 1954, 30th September 1955, 30th September 1956, and 30th September 1957 in case of mills whose accounting year begins on 1st October.

This Agreement shall remain in force for a period of five years and shall apply to Bonus claims in respect of the five years, *viz.*, years 1953, 1954, 1955, 1956 and 1957 and notwithstanding both the parties to this Agreement getting their right for termination of the Agreement after a period of one year under provision of section 116 (3) of the Bombay Industrial Relations Act, 1946, both the parties agree that they will not exercise their right of termination of this agreement, since as this agreement makes provisions of "Set-off" and "Set-on" for a period of five years, it is necessary that it should remain operative for that period.

2. That the claim of the employees for Bonus would only arise if there should be available surplus of profit after making provision for all the prior charges including a fair return on paid-up capital and on reserves employed as working capital as per the Formula laid down by the Labour Appellate Tribunal in its full Bench decision in Appeals Nos. 1 and 5 of 1950 ( Millowners' Association, Bombay *versus* the Rashtriya Mill Mazdoor Sangh, Bombay ), *i. e.*

(a) Prior Charges, *viz.*,

(i) Statutory Depreciation and the Development Rebate ;

(ii) Taxes ;

(iii) Reserve for Rehabilitation, Replacement and Modernisation of Block as calculated by the Industrial Court (Basic year 1947).

and

(b) A Fair Return

(i) at 6 per cent on paid up capital in each or otherwise including Bonus Shares;

(ii) at 2 per cent on Reserves employed as Working Capital.

(1) For the purpose of this Formula, the amount of the total gross profits of the Mill for the year shall be the amount of profits as disclosed in published Balance Sheet of the Company, without, making provision for depreciation and for bonus but after deducting from it, the amount of extraneous income ( like interest from investments, rent from property ) which is unrelated to the efforts of the workers.

(2) If in any year, the amount of statutory depreciation and Development Rebate will be higher than the amount of Reserve for Rehabilitation, the full amount of statutory Depreciation and Development Rebate shall be adopted as a prior charge and no extra provision shall be made for rehabilitation in that year.

3. That a mill which has an available surplus of profits after providing all prior charges, etc. on basis of the Full Bench Formula, as described above in clause 2 of this agreement, shall pay to its employees bonus out of the available surplus, which bonus in no case shall be less than an amount equivalent to 4.8 per cent. of basic wages earned during the year or shall exceed an amount equivalent to 25 per cent. of the total basic wages earned during the year:—

(i) Provided that if in respect of a particular year, a mill has an available surplus of profit as determined according to the Full Bench Formula, as described hereinbefore in clause 2, which is adequate for granting Bonus at a higher quantum than the ceiling of 25 per cent. of basic wages earned during the year as fixed above and it pays the maximum Bonus *viz.* 25 per cent. of basic wages earned during the year under the provisions of this Agreement, such mill will be deemed to have set aside a part of the residue of available profits after grant of maximum bonus ( *i. e.* 25 per cent. of basic wages earned during the year ), not exceeding an amount equivalent to 25 per cent. of the basic wages earned during the year as a "reserve" for Bonus for purpose of "set-on" ( adjustment ) in subsequent years, provided, however, that the aggregate amount of available surplus

thus deemed to have been set aside for purpose of ' set-on ' ( adjustment ) shall not at any time exceed an amount equivalent to 25 per cent. of basic wages earned during the year.

The amount of available surplus of profits thus deemed to have been set aside for purpose of ' set-on ' ( adjustment ) will be utilised for making up the deficit, if in any subsequent year the available surplus of profit of a mill calculated according to the Full Bench Formula described hereinbefore in clause 2, will not be adequate to pay bonus as provided under this Agreement. The setting aside of a part of available surplus of profit provided under this clause is only for notional calculation for purpose of bonus and has nothing to do with the actual appropriations and allocations made in the Balance Sheet of the Company.

(ii) Provided further that in case of a mill whose available surplus of profit in particular years, as calculated under the Full Bench Formula, is adequate to grant bonus at a rate lower than the ceiling ( *i. e.* 25 per cent of basic wages earned during the year ) fixed under the Agreement the quantum of Bonus will be fixed in such a manner that there shall remain with the mill, at least a minimum amount of Rs. 10,000 after providing all prior charges including taxes and after grant of Bonus to the employees. The amount, as indicated hereinbefore set aside and left with the mill under the provisions of this clause shall not be required to be utilised for set-on ( adjustment ) purpose *i. e.* for distribution of Bonus in any subsequent year or for making up a deficit in the maximum Bonus ( *i. e.* 25 per cent of basic wages earned during the year ) in any such year.

(iii) Provided further that if in respect of any year, a mill has available surplus of profits which is adequate to pay bonus at a rate lower than the minimum rate ( *i. e.* 4.8 per cent basic wages earned during the year ) fixed under this Agreement and it is required to pay bonus at the minimum rate ( *i. e.* 4.8 per cent basic wages earned during the year ) under the provision of this agreement, it shall be entitled to set-off excess amount thus paid by it to make up the minimum bonus ( *i. e.* 4.8 per cent of the basic wages earned during the year ) against the amount of bonus that would be payable in a subsequent year or years in the manner following—

1. If in the subsequent year, the available surplus of profits of this mill as calculated under the Full Bench Formula as described hereinbefore in clause 2 is adequate to grant bonus at the maximum rate of 25 per cent of basic wages earned during the year, the mill will first take out of the amount thus payable as bonus, the excess amount paid by it as bonus in the previous year to make up the minimum bonus ( *i. e.* 4.8 per cent of basic wages earned during the year ) and will then distribute the remaining amount ( 25 per cent of basic wages earned during the year less the excess amount ) as bonus.

2. If in the subsequent year, the available surplus of profits of this mill as calculated under the Full Bench Formula described hereinbefore in clause 2 is adequate to grant bonus at a rate lower than the maximum rate ( *i. e.* 25 per cent of basic wages earned during the year ), the mill (a) will first set aside out of the available surplus after providing all prior charges including taxes at least an amount of Rs. 10,000 and (b) then out of the balance of available

surplus of profits, it will further take out the excess amount paid by it as bonus in previous year to make up the minimum bonus ( *i. e.* 4.8 per cent of basic wages earned during the year ) and (c) then it will distribute the remaining amount of available surplus of profit as bonus.

The provision for setting aside at least a minimum amount of Rs. 10,000 out of the available surplus of profits for the year by Mills whose available surplus of profits calculated according to the Full Bench Formula described hereinbefore in clause 2 is adequate to pay bonus at a quantum lower than the maximum ( *i. e.* 25 per cent of basic wages earned during the year ) fixed under this Agreement, is made on *ad hoc* basis and the actual apportionment of the available surplus of profits between the Mill and its employees will be decided on merits of the case of each individual mill on the principle laid down by the Labour Appellate Tribunal that there is no justification for granting the entire surplus profits as bonus.

4. That—

(i) a mill whose profits is not adequate to provide for all prior charges, etc. as per the Full Bench Formula, as described in clause 2, or

(ii) a mill which has made loss, though totally exempt from liability to pay bonus under the general principles governing Bonus enunciated by the Labour Appellate Tribunal in its Full Bench decision in appeals Nos. 1 and 5 of 1950 ( Millowners' Association, Bombay, *versus* The Rashtriya Mill Mazdoor Sangh, Bombay ) and the decision of the Supreme Court in Civil Appeal No. 135 of 1951 ( Muir Mills Ltd., Kanpur *vs.* Suti Mill Mazdoor Union, Kanpur and the State of U.P. ( will, as a special case, for creating goodwill among its workers and for continuing peace in the industry but without creating a precedent, pay to its employees a minimum bonus equivalent to 4.8 per cent of the basic wages earned by them during the year :

Provided that such mill shall be entitled to set-off ( adjust ) the amount thus paid by it as minimum Bonus ( *i. e.* 4.8 per cent of basic wages earned during the year ) against the amount of bonus that would be payable in the subsequent year or years under the provisions of this Agreement in the manner following :—

The mill will first deduct from the amount of bonus that would be payable in the subsequent year under the terms of the Agreement, the amount of minimum Bonus ( *i. e.* 4.8 per cent of basic wage earned during the year ) paid by it in previous years and then out of the residue of the surplus profits thus arrived at, it will pay bonus under the provisions of this Agreement.

5. That for the proper and correct application of the principle of “set-off” ( adjustment ) and “set-on” ( adjustment ) adopted for the purpose of grant of minimum and maximum bonus in this agreement, a set of illustrations is given hereunder for guidance.

(a) The term “ Full Bench Formula ” used in the following illustrations refers to the “ Full Bench Formula ” described in clause 2 of this Agreement.



(b) It is understood that except in respect of the minimum rate all figures of percentages in the following illustrations are rounded off for facility of calculation but in case of calculations of quantum of Bonus of individual mills the actual percentage will be applied.

(c) It is further understood that the expressions "reserve for bonus" "Set aside as reserve for bonus" and the like used in the following illustrations do not in any way signify that there will be any actual appropriation of balance sheet profit under this head. The expressions are used solely for the purpose of explaining the principle of 'set-on' (adjustment) and signify only a notional carry forward.

(d) In the following illustrations, the amount for purpose of 'set-off' (adjustment) is shown in form of a certain percentage of basic wages earned during the year. In practice however, the amount of minimum bonus (i. e. 4.8 per cent of basic wages earned during the year) that will be determined to be payable from actual calculations under the provisions of this Agreement, will be permitted to be set-off (adjusted) by the mill in the subsequent year.

#### *Illustration I.*

In 1953, Mill 'A' has a surplus of profits as calculated according to the Full Bench Formula, which is adequate to grant Bonus equivalent to 83 per cent of basic wages earned during the year.

This mill will pay maximum Bonus equivalent to 25 per cent of the basic wages earned during the year under the Agreement and will further be deemed to have set aside a maximum amount equivalent to 25 per cent of the basic wages earned during the year for purpose of 'set-on' (adjustment) in subsequent years.

In 1954, this Mill has an available surplus of profit calculated according to the Full Bench Formula which is adequate to grant Bonus equivalent to 8 per cent of basic wages earned during the year.

This mill will, first, set aside out of the available surplus of profit after providing all prior charges including taxes, at least a minimum amount of Rs. 10,000 and then to the residue, it will add, out of the amount deemed to have been set aside as "reserve" for Bonus in the previous year, an amount adequate to make up the total amount equivalent to 25 per cent of basic wages earned during the year [ 8 per cent minus minimum amount set aside plus adequate amount out of amount deemed to have been set aside in previous year for 'set-on' (adjustment) = 25 per cent of basic wages earned during the year ] and the total amount thus arrived at will be paid as Bonus.

In 1955, this mill has no available surplus of profit calculated according to the Full Bench Formula for grant of Bonus (or has made a loss) and will, therefore, be required to grant minimum bonus equivalent to 4.8 per cent of the basic wages earned during the year under the Agreement.

But as it has with it a part of the amount (equivalent to 25 per cent of basic wages earned during the year) deemed to have been set aside as "reserve" for Bonus in year 1953, it will pay Bonus out of such residue of Bonus "Reserve" but not below the minimum (i. e. 4.8 per cent of basic wages earned during the year).

*In 1956* this mill makes loss ( or has no available surplus of profit according to the Full Bench Formula ). It will, therefore, pay minimum Bonus equivalent to 4.8 per cent of basic wages earned during the year under the agreement. The mill will be entitled to ' set-off ' ( adjust ) such amount of minimum Bonus ( i. e. 4.8 per cent of basic wages earned during the year ) against the amount of Bonus that may be payable in subsequent years.

*In 1957*, this mill makes loss ( or has no available surplus of profit according to the Full Bench Formula ). It will pay the minimum Bonus equivalent to 4.8 per cent of basic wages earned during the year under the provisions of the Agreement. The Mill will be entitled to ' set-off ' ( adjust ) this amount against the amount of Bonus that may be payable in subsequent years.

The Mill, however, will not be able to reimburse itself for this amount together with the amount distributed in year 1956, out of the amount of Bonus that may be payable in the next year i. e. 1958 as the agreement will not be operative in respect of bonus for that year.

### *Illustration II.*

*In 1953* Mill 'B' has an available surplus of profit calculated according to the Full Bench Formula which is adequate to grant Bonus equivalent to 37.5 per cent of the basic wages earned during the year.

Under the Agreement, however, it will pay Bonus at the maximum rate viz., 25 per cent of the basic wages earned during the year and will further be deemed to have set aside an amount equivalent to 12.5 per cent of basic wages earned during the year as " reserve " for Bonus for purpose of ' set-on ' ( adjustment ) in subsequent years.

*In 1954*, this Mill has an available surplus of profit calculated according to the Full Bench Formula which is adequate to grant Bonus equivalent to 8 per cent of basic wages earned during the year.

This Mill will first set aside, out of available surplus of profit after providing all prior charges including taxes, at least a minimum amount of Rs. 10,000 and then to the residue, it will add the amount of " reserve " for Bonus deemed to have been set aside in year 1953 and the total amount thus arrived at ( viz., 8 per cent the minimum amount set aside + 12.5 per cent ) will be paid as Bonus.

*In 1955*, this Mill has an available surplus of profit calculated according to the full Bench Formula which is adequate to grant Bonus equivalent to 50 per cent of basic wages earned during the year.

Under the agreement, this mill will grant maximum Bonus equivalent to 25 per cent of the basic wages earned during the year and will be deemed to have set aside out of the residue, an amount equivalent to 25 per cent of basic wages earned during the year as " reserve " for Bonus for purpose of ' set-on ' ( adjustment ) in subsequent years.

*In 1956*, this Mill has an available surplus of profit calculated according to the Full Bench Formula which is adequate to grant Bonus equivalent to 23 per cent. of basic wages earned during the year. Under the provisions of the Agreement, this mill pays maximum Bonus equivalent to 25 per cent. of basic wages earned during the year.

However, it will not be deemed to have set aside any part of the surplus profit as "reserve" for Bonus for purpose of 'set-on' (adjustment) in future years, as it is deemed to have set aside in the previous year for purpose of 'set-on' (adjustment) an amount equivalent to 25 per cent. of basic wages earned during the year.

*In 1957* this Mill makes loss (or has no available surplus for grant of Bonus according to the Full Bench Formula) and will, therefore, be required to grant minimum Bonus equivalent to 4.8 per cent. of basic wages earned during the year.

However, it is deemed to have set aside during a previous year an amount equivalent to 25 per cent. of basic wages earned during the year as 'reserve' for Bonus for purpose of 'set-on' (adjustment). Hence it will be deemed to draw upon this "reserve" and grant Bonus at the maximum rate of 25 per cent. of basic wages earned during the year.

### *Illustration III.*

*In 1953*, Mill 'C' has no available surplus of profit for Bonus, calculated according to the Full Bench Formula. It pays minimum Bonus equivalent to 4.8 per cent. of the basic wages earned during the year.

*In 1954*, this Mill has a surplus of available profit calculated according to the Full Bench Formula which is adequate to grant Bonus equivalent to 42 per cent. of basic wages earned during the year.

Under the Agreement, this Mill will

(i) be required to pay Bonus at the maximum rate *i. e.* 25 per cent. of the basic wages earned during the year, and

(ii) be deemed to set aside for purpose of 'set-on' (adjustment) an amount equivalent to 17 per cent. of basic wages earned during the year out of the residue of surplus profits.

However, as it has paid minimum Bonus (*i. e.* 4.8 per cent. of basic wages earned during the year) in respect of previous year, it will be entitled to deduct such amount from the amount of maximum Bonus (*i. e.* 25 per cent. of basic wages earned during the year) that will be payable under the Agreement in respect of the current year and then will distribute the balance (25 per cent. — 4.8 per cent. = 20.2 per cent. of basic wages earned during the year) as Bonus.

*In 1955*, this Mill has available surplus of profit calculated according to the Full Bench Formula which is adequate to grant Bonus equivalent to 8 per cent. of basic wages earned during the year.

This mill will first set aside out of the available surplus of profits after providing all prior charges including taxes, at least a minimum amount of Rs. 10,000. Then to the residue, it will add the amount equivalent to 17 per cent. of basic wages earned during the year deemed to have been set aside in year 1954 for purpose of 'set-on' (adjustment) and distribute as bonus the total amount thus arrived at (8 per cent. minimum amount set aside + 17 per cent).

The amount of Rs. 10,000 minimum set aside out of the available surplus and left with the mills under this clause shall not be required to be utilised for the purpose of 'set-on' (adjustment) i. e. for grant of Bonus in any subsequent year.

*In 1956* this Mill has no available surplus of profit calculated according to the Full Bench Formula. It pays minimum Bonus equivalent to 4.8 per cent of basic wages earned during the year.

It will be entitled to set-off (adjust) the amount of such minimum Bonus (i. e. 4.8 per cent of basic wages earned during the year) against the amount of Bonus that may be payable in the subsequent year.

*In 1957*, this Mill has an available surplus of profit calculated according to the Full Bench Formula which is adequate to grant Bonus equivalent to 8 per cent. of basic wages earned during the year.

The mill, however, will—

(i) first deduct out of this available surplus of profits arrived at after providing for all prior charges including taxes at least a minimum amount of Rs. 10,000, and

(ii) then out of the residue, further take out an amount equivalent to 4.8 per cent. of basic wages earned during the year paid by it as minimum Bonus in the previous year, and

(iii) then utilise the balance (8 per cent.—minimum amount—4.8 per cent) for payment of Bonus.

However, if the balance of surplus profit is not adequate to pay minimum Bonus (i. e. 4.8 per cent. of basic wages earned during the year), the mill will pay minimum Bonus (i. e. 4.8 per cent. of basic wages earned during the year) and will be entitled to set-off (adjust) the amount of difference between the minimum Bonus (i. e. 4.8 per cent. of basic wages earned during the year) and the balance of surplus profits (8 per cent. minimum amount—4.8 per cent) against the amount of Bonus that may be payable in respect of subsequent year.

The Mill will, however, be unable to reimburse itself for such difference as the Agreement will not be operative in respect of Bonus claim for 1958.

#### *Illustration IV.*

*In 1953*, Mill 'D' has no available surplus of profit calculated according to the Full Bench Formula.

It pays minimum Bonus equivalent to 4.8 per cent of the basic wages earned during the year under the Agreement.

This mill will be entitled to set-off ( adjust ) the amount of such minimum bonus ( *i. e.* 4.8 per cent of basic wages earned during the year ) against the amount of Bonus that may be payable in subsequent years.

*In 1954*, this mill makes loss. It pays minimum bonus equivalent to 4.8 per cent of basic wages earned during the year with provision for set-off ( adjustment ).

*In 1955*, this mill has no available surplus of profit calculated according to the Full Bench Formula. It pays minimum bonus equivalent to 4.8 per cent. of the basic wages earned during the year with provision for set-off ( adjustment ).

*In 1956*, this mill has an available surplus of profit calculated according to the Full Bench Formula which is adequate to grant bonus equivalent to 83 per cent. of basic wages earned during the year.

Under the Agreement, this mill —

(i) will be required to pay bonus at the maximum rate of 25 per cent. of basic wages earned during the year, and

(ii) will be deemed to set aside for purpose of ' set-on ' ( adjustment ) an amount equivalent to 25 per cent. of basic wages earned during the year.

This mill, however, will—

(i) first take out of the amount of maximum bonus equivalent to 25 per cent. of basic wages earned during the year that will be payable under the Agreement, the total amount paid by it as minimum bonus ( *i. e.* 4.8 per cent. of basic wages earned during the year ) in the previous three years equivalent to 14.4 per cent. ( 4.8 per cent.  $\times$  3 ) of the basic wages earned during the year, and

(ii) then pay the residue ( *viz.*, 25 per cent. — 14.4 per cent = 10.6 per cent. of basic wages earned during the year ) as bonus.

*In 1957*, this mill has available surplus of profit calculated according to the Full Bench Formula which is adequate to grant bonus equivalent to 12.5 per cent. of basic wages earned during the year. This mill will

(i) first set aside out of the available surplus of profits arrived at after providing all prior charges including taxes, at least a minimum amount of Rs. 10,000, and

(ii) then add to the residue, by drawing upon the amount of surplus of profits deemed to have been set aside by it in the previous year *i. e.* 1956 an amount adequate to make up a total amount equivalent to 25 per cent. of the basic wages earned during the year and pay bonus at the maximum rate ( *i. e.* 25 per cent. of the basic wages earned during the year ).

6. That the amount of "reserve" for bonus deemed to have been set aside by a mill for the purpose of 'set-on' (adjustment) under the provisions of this Agreement which remains unutilised at the end of year 1957 (or on 31st March 1958 or 30th June 1957 or on 30th September 1957 as the case may be) after grant of bonus for that year, shall lapse and the employees shall have no right to such amount for satisfying their claim for bonus at any future time after the termination of this Agreement. Similarly, the amount or amounts of minimum bonus (i. e. 4.8 per cent. of basic wages earned during the year) paid by a mill during the period of the Agreement which it is entitled to set off (adjust) against the amount of bonus that was payable during the period of the five years under the provisions of this Agreement but which remains unadjusted on 31st December 1957 (or on 31st March 1958 or 30th June 1957 or on 30th September 1957, as the case may be), shall lapse on the termination of this Agreement and the mill shall not be entitled to set off (adjust) such amount against the amount of bonus that may become payable in future years.

7. That mills shall pay to their employees bonus according to the terms and conditions provided under this Agreement in respect of each of the five years from year 1953 to year 1957, both inclusive :

Provided that the bonus in respect of year 1953 shall be paid before the 1st November 1955 and the bonus in respect of years 1954 to 1957, shall be paid within a period of two months of the date that will be mutually fixed by the parties for distribution of bonus in the respective years, subject to the following conditions :—

(i) In the case of women employees who have been on maternity leave during the year, the maternity allowance drawn by them shall be included in their earnings for the purpose of calculating bonus.

(ii) Employees who have been dismissed on account of misconduct causing financial loss to the Company will not be entitled to bonus to the extent of the loss caused.

(iii) Persons who are eligible for bonus but are no longer in the service of the mill shall submit their claims within one year of the declaration of bonus and the bonus shall be paid within one month of the receipt of the claim. Failing an application within the period specified, the right to claim the bonus shall not survive.

8. That the Ahmedabad Millowners' Association and the Textile Labour Association will jointly determine in case of each individual member mill the available surplus of profit and fix quantum of bonus to be distributed in terms of the Agreement on basis of the Balance-Sheet of the year after obtaining the necessary information regarding bonus provision, statutory depreciation etc. from the mills after the publication of Balance-Sheets. Such necessary data shall be supplied by the mills to both the Associations within a period of two months of the publication of the Balance-Sheet or before the end of the month of September of the next year whichever is later. If there will be any difference of opinion between the parties regarding determination of the available surplus of profit or the quantum of bonus to be paid by the mill, the matter will immediately be referred to the President of the Labour Appellate Tribunal of India and in case he is not available or is unable to function, to an Umpire from the Panel of Umpires formed

under the provisions of clause 2B of the submission regarding Arbitration dated 27th June 1955 and in case the Panel of Umpires is not formed or is not functioning to a person mutually agreed to between the parties and his decision shall be accepted by both the parties.

Ahmedabad, 27th June 1955.

*For the Ahmedabad Millowners'  
Association, Ahmedabad.*

(Sd.)

Secretary.

*For the Textile Labour Association,  
Ahmedabad.*

(Sd.)

General Secretary.

## APPENDIX IX

### AGREEMENT BETWEEN THE AHMEDABAD MILLOWNERS' ASSOCIATION, AHMEDABAD AND THE TEXTILE LABOUR ASSOCIATION, AHMEDABAD REGARDING FOUR YEAR BONUS FOR THE YEARS FROM 1959 TO 1962 DATED 13TH OCTOBER 1962.

#### AGREEMENT

Notwithstanding anything contained in the decisions and Awards of the Industrial Court, the Labour Appellate Tribunal of India and the Supreme Court of India in the matter of principles governing bonus and without renouncing the rights and privileges of employers and employees created thereunder, it is hereby agreed between the Ahmedabad Millowners' Association, Ahmedabad, representing its local member mills, whose names are specified in the list annexed hereto marked 'A' and the Textile Labour Association, Ahmedabad, a Representative Union for the Cotton Textile Industry for the local area of Ahmedabad under the Bombay Industrial Relations Act in the matter of Notice in Form 'L' dated the 12th October 1961 given by the Textile Labour Association to the Ahmedabad Millowners' Association, as representative of its local member mills, demanding payment of *ad hoc* bonus for the years 1961 and 1962, to the employees of the local member mills of the Ahmedabad Millowners' Association and further demanding that the same method of payment of *ad hoc* bonus should also be adopted in respect of claims of bonus for the years 1959 and 1960, which disputes are at present pending respectively before the Industrial Court and the Conciliator, as under:—

1. That the method agreed herein shall apply to and cover the bonus claims of employees for the calendar years 1959, 1960, 1961 and 1962 in case of each individual local member mill of the Association whose name is mentioned in the list marked 'A' and annexed hereto.

Such claims for bonus shall not be considered or computed on basis of the result of working of the mill company concerned as disclosed

in the balance sheet and profit and loss account for any of the four years in respect of which the claim is made *viz.* the years 1959, 1960, 1961 and 1962 but bonus for each of these four years shall be paid on *ad hoc* basis as provided hereunder.

2. That the Ahmedabad Cotton Textile Mills which are members of the Ahmedabad Millowners' Association and whose names are mentioned in the list annexed hereto, marked 'A', shall pay to their employees in respect of each of the years 1959, 1960, 1961 and 1962, as *ad hoc* bonus in the aggregate, an amount equivalent to the yearly average, (*i. e.* one-fifth) of the total amount fixed for distribution by them as Bonus for the five years 1953, 1954, 1955, 1956 and 1957 in terms of the five-year bonus agreement of 27th June 1955, the share of each individual employee eligible for bonus in such aggregate amount to be determined as provided hereinafter.

3. (i) That the amount of bonus payable annually by each mill company under clause 2 above shall be determined in the manner laid down in Clause 9 hereinafter by first, aggregating the amounts of bonus fixed for distribution by the mill company each year for the five years, 1953, 1954, 1955, 1956 and 1957 in terms of the Five Year Bonus Agreement of 27th June 1955 and then dividing the total amount thus arrived at by 5. The figure thus worked out shall represent the total amount in rupees to be paid by the mill company concerned to its employees as bonus each year for the years 1959, 1960, 1961 and 1962.

Provided that the amount payable annually as bonus by a mill company on the above basis shall not be subject to any increase or decrease whatsoever, if the average number of persons employed daily in any of the years 1959, 1960, 1961 and 1962 has increased or decreased for any reason whatsoever by  $7\frac{1}{2}$  percent or less as compared to the average number of persons employed daily by the mill company during the period of 5 years 1953, 1954, 1955, 1956 and 1957, but if the average number of persons employed daily by any mill company in any of the years 1959, 1960, 1961, and 1962 has increased or decreased by more than  $7\frac{1}{2}$  percent as compared to the average number of persons employed daily during the period of five years *i. e.* 1953, 1954, 1955, 1956 and 1957 the amount of bonus payable for that particular year shall be subject to a proportionate increase or decrease, as the case may be.

*Explanation :—*

For the purpose of the provisions of this Agreement, the average number of persons employed daily by the mill company during the period of five years *viz.* 1953, 1954, 1955, 1956 and 1957 shall be worked out in the manner following :

Total up the number of persons employed on each day in all the shifts for all the days worked in each of the years 1953, 1954, 1955, 1956 and 1957 and divide the total thus arrived at by the total number of working days in the relevant year. The figure thus worked out shall represent the average number of persons employed daily by the mill company in the respective year. By adding up the average number of persons employed daily in each of the years 1953, 1954, 1955, 1956 and 1957 and dividing the total by 5 will give the figure of average number of persons employed daily by the mill company during the period of five years *viz.* 1953, 1954, 1955, 1956 and 1957.



Provided further that in case of a mill company having two separate Factory Units, known as No. 1 mill and No. 2 mill but publishing a single balance sheet, the bonus liability of such mill company will be fixed on basis of the total number of employees of both the units (mill No. 1 and mill No. 2) together and not on basis of each individual unit.

(ii) (a) That where during the year 1957 or subsequently, a mill company having two mill units, mill No. 1 and mill No. 2, has bifurcated into two independent new companies, each new company taking over as its share of the total assets divided between them one unit, the liability of each of these new mill companies for payment of bonus to the employees of the unit under its control in terms of this Agreement will be determined in the manner following :—

Bonus Period : year 1953 to 1957.

Mill Company : 'A' having two composite mill units No. 1 and No. 2.

Average number of employees during 1953 to 1957 :

Mill No. 1 .. .. 1,800

Mill No. 2 .. .. 1,700

Total No. of employees.. 3,500

Amount of Bonus fixed for distribution by mill Company 'A' during the period 1953-1957 in terms of Five Year Bonus Agreement of 27th June 1955.

Year				Total of mills No. 1 and No. 2
				( figures in lakhs )
				Rs.
1953	..	..	..	1.01
1954	..	..	..	1.03
1955	..	..	..	5.38
1956	..	..	..	4.25
1957	..	..	..	1.04
Total ..				12.71

Yearly average of bonus fixed for distribution :—

Rs. 12.71 Lakhs ÷ 5 = Rs. 2.54 Lakhs.

In middle of year 1957, the mill company 'A' was divided into two independent companies 'B' and 'C' and the two newly formed companies took over respectively mill No. 1 and mill No. 2 as their individual share of division of the assets of the original company 'A'. The liability of each of these new companies 'B' and 'C' for payment of bonus for years 1959 to 1962 in terms of this agreement will be as under :—

Mill Company 'B' :

$3,500 : 1,700 :: 2,54,000 = \text{Rs. } 1,23,371.$

Mill 'B' shall pay Rs. 1,23,371 as bonus for each of the years 1959, 1960, 1961 and 1962.

Mill Company 'C':

$$3,500 : 1,800 :: 2,54,000 = \text{Rs. } 1,30,629.$$

Mill 'C' shall pay Rs. 1,30,629 as bonus for each of the years 1959, 1960, 1961 and 1962.

(b) That subsequent to the year 1957, a mill company 'M' having a single mill unit merged with another mill company 'N' also having a single unit, thereby becoming the part of 'N' company and losing its own identity altogether. As a result of such merger, the mill co. 'N' without losing its own identity was enlarged having now two mill units instead of one—Mill No. 1 which was its own original unit and Mill No. 2 the mill unit which originally belonged to the merged company 'M'. The liability of the enlarged mill company 'N' having two mill units for payment of bonus for the years 1959, 1960, 1961 and 1962 in terms of this agreement will be determined in the manner following :—

Mill company 'M' merges in mill company 'N' in year 1958, losing its identity and becoming part of mill company 'N'. The mill unit owned by mill company 'M' prior to the merger will be owned by mill company 'N' and will be known in future as mill No. 2 of mill company 'N' the mill unit already owned by the mill company 'N' prior to the merger being now called mill No. 1. The position regarding employment register and the bonus paid during the period 1953-1957 by the two companies is as under :—

					Mill Company 'M'	Mill Company 'N'
Average number of employees during 1953 to 1957					1,415	2,663
					(Rs. in lakhs)	
Bonus fixed for distribution in respect of						
Year						
1953	..	..	..	..	0.50	0.94
1954	..	..	..	..	0.49	0.94
1955	..	..	..	..	0.50	0.96
1956	..	..	..	..	1.32	5.45
1957	..	..	..	..	0.94	5.10
Total					3.75	13.39
Average of 5 years					0.75	2.68

The mill company 'N' now owning an additional unit mill No. 2 as a result of merger of mill company 'M' in it, will pay to the employees of its mill No. 1 (Original Unit) Rs. 2.68 lakhs and to the employees of mill No. 2 (newly acquired unit under merger) Rs. 0.75 lakh as bonus for each of the years 1959, 1960, 1961 and 1962, in terms of this Agreement.

(c) That a Mill Company 'P' having one mill unit purchases in the year 1956, another mill unit from Mill Company 'R' without any merger between the two companies. The liability of Mill Company 'P' for payment of bonus for years 1959 to 1962 to employees of both units, the original Mill No. 1 and the newly purchased Mill No. 2 will be determined as under :

A. Total amount of bonus fixed for distribution by Mill Company 'P' to employees of its original Mill unit *viz.* Mill No. 1 for the years 1953 to 1957 : Rs. X lakhs.

Average for one year :  $X/5$ .

B. Total amount of bonus fixed for distribution to employees of Mill No. 2 purchased in May 1956 by Mill Company 'P' for years 1956 and 1957 : Rs. Y lakhs.

Average for one year :  $Y/2$ .

The liability of Mill Company 'P' for payment of bonus for each of the years 1959, 1960, 1961 and 1962 will be the aggregate of—

(a) the average amount of bonus fixed for distribution per year for the years 1953 to 1957 to employees of Mill No. 1, the original unit owned by Mill Company 'P' *i.e.*  $X/5$ .

and

(b) the average amount of bonus fixed for distribution per year by the Mill Company 'P' to the employees of Mill No. 2 for the year 1956 (the year of purchase) and 1957 *i.e.*  $Y/2$ .

That out of the aggregate amount to be paid annually for each of the years 1959, 1960, 1961 and 1962 by a mill company to its employees as *ad hoc* bonus in terms of provisions of clause 2 hereinbefore, the share of each individual employee eligible for bonus, that is, the quantum of bonus to be paid to each individual employee shall be determined in the manner laid down in clause 9 hereinafter at a rate in form of a percentage of the total basic wages earned by him during the year such percentage to be worked out for each year on basis of the total amount of basic earnings of the employees of the mill company in respect of that year, by adopting the following formula :—

$$Z : Y :: X = \frac{X \times Y}{Z} = A$$

where

X is the aggregate amount to be paid by a Mill Company as *ad hoc* bonus for the year.

Y is 100.

Z is the total amount of basic wages paid to employees in respect of the year.

A is rate of bonus in form of a percentage.

*Illustration :*

Mill 'A'

Year 1959

X = Rs. 80,000

Z = Rs. 13,60,800

$$A = \frac{80,000 \times 100}{13,60,800} = 5.87 \%$$

The employees of Mill Company 'A' will be entitled to payment of bonus at the rate of 5.87 per cent. of their annual earnings on account of basic wages in respect of the year 1959.

*Explanation :—*

Basic Wages or Basic Earnings for the purposes of this Agreement, shall mean basic wages excluding the amount of 75 per cent. Dearness Allowance which was merged in the basic wages of Operatives under Wage Board's recommendations and also excluding the Special Higher Cost Allowance and the other allowance at flat rates on basic wage paid to Clerks and Technicians under the Agreements dated the 2nd July 1960 and 4th September 1961, respectively.

5. That all employees whose names are on the register of the mill company during the year in respect of which bonus is to be paid will be eligible to payment of bonus at the fixed quantum, subject to the following conditions:—

(a) In the case of women employees who have been on maternity leave during the year, the maternity allowance drawn by them shall be included in their earnings for the purpose of calculating bonus;

(b) Employees who have been dismissed on account of misconduct causing financial loss to the company will not be entitled to bonus to the extent of the loss caused;

(c) Persons who are eligible for bonus but are no longer in the service of the mill shall submit their claims within one year of the declaration of bonus and bonus shall be paid within one month of the receipt of the claim. Failing an application within the period specified, the right to claim the bonus shall not survive.

6. That the parties having agreed under this agreement to payment of bonus to the employees of the local member mills of the Ahmedabad Millowners' Association, whose names are mentioned in the list marked 'A' annexed hereto, on *ad hoc* basis for the years 1959, 1960, 1961 and 1962, the Textile Labour Association hereby agrees that it shall not make any further claim of demand for bonus or for sharing in profits, available surplus or otherwise, in any manner, in respect of any of the years 1959, 1960, 1961 and 1962 either on basis of the Full Bench Formula of the Labour Appellate Tribunal of India as laid down in its decision in Appeals Nos. 1 and 5 of 1950 in the Millowners' Association

Bombay *vs.* the Rashtriya Mill Mazdoor Sangh or in terms of any pact or agreement between the Textile Labour Association, Ahmedabad and the Ahmedabad Millowners' Association, Ahmedabad or any Award of the Industrial Court or the Labour Appellate Tribunal of India or the Supreme Court of India or recommendations of the Bonus Commission which may have been accepted by the Government of India or by the units of the Textile Industry in Ahmedabad or any other centre and the member mills of the Ahmedabad Millowners' Association shall not be liable to pay, in respect of years 1959, 1960, 1961 and 1962 bonus in any form other than that which is specifically provided hereunder.

7. That the acceptance by the Ahmedabad Mills which are parties to this Agreement of the claim of their employees for payment of *ad hoc* bonus for each year for the years 1959, 1960, 1961 and 1962, shall not form a precedent for settlement of any future claim of bonus and it is expressly agreed by both the parties that this Agreement does not in any way undermine, jeopardise or prejudice any of the rights of either party obtained by or accrued to hitherto by any decision on bonus such as the rights of the loss-making mills not to pay bonus and the rights of the workers to claim higher bonus by either the Labour Appellate Tribunal or the Supreme Court. It is further agreed that this Agreement is entered into on an *ad hoc* basis as an interim measure only without going into the merits or demerits of the case.

8. That for the implementation of this Agreement each local member mill of the Ahmedabad Millowners' Association, whose name is mentioned in the list annexed hereto marked 'A' shall enter into an individual Agreement with the Textile Labour Association, the Representative Union, for payment of *ad hoc* bonus for the years 1961 and 1962, in terms of this Agreement and shall file a settlement as agreed herein before the Industrial Court and the Conciliator for the years 1959 and 1960, respectively and shall pay bonus for each of the years 1959, 1960, 1961 and 1962, according to the directions, terms and conditions contained herein.

9. That the Ahmedabad Millowners' Association and the Textile Labour Association shall jointly determine, in case of each individual member mill concerned, the average amount to be paid by that mill company as bonus for each of the years 1959, 1960, 1961 and 1962 in terms of this Agreement from the data to be submitted before end of the month of September of the next year by each mill company regarding the amount fixed for distribution by it as bonus for each of the years 1953, 1954, 1955, 1956 and 1957 in terms of Five Year Agreement, dated the 27th June 1955 and the average number of persons employed daily in each of the years 1953, 1954, 1955, 1956 and 1957 and also the total amount of basic wages for the year in respect of which bonus is claimed 1959, 1960, 1961 or 1962 as the case may be, together with the average number of persons employed daily in the respective years 1959, 1960, 1961 and 1962 and the mill company shall pay the amount thus determined as bonus to its employees as a percentage of the basic wages earned by the employees during the year but subject to the conditions prescribed under clause 5 hereinbefore, within a period of two months of the date that will be fixed by the two Associations for distribution of bonus for the respective years.

10. That in case of difference of opinion between the parties regarding interpretation of any part of this Agreement or determination of the

quantum of bonus to be paid by the Mill for the relevant year, the dispute shall be referred by the parties to a Board of Arbitration composed of two Arbitrators, one to be nominated by each party and in case of disagreement between the Arbitrators, to an Umpire to be nominated by the Arbitrators, whose decision shall be binding on both the parties.

11. That the parties agree that if during the pendency of this Agreement, the Bonus Commission set up by the Government of India, submits its report to the Government, the recommendations of the Bonus Commission in its report regarding bonus shall not in any manner affect this agreement and this agreement shall remain in force till the bonus claims for the years 1959, 1960, 1961, 1962 are fully satisfied on terms and conditions prescribed herein.

12. That this Agreement shall apply to bonus claims of the employees of the local member mills of the Ahmedabad Millowners' Association in respect of the four years *viz.* 1959, 1960, 1961 and 1962 and shall remain in force till the claims for bonus for the four years 1959, 1960, 1961 and 1962 are fully satisfied in terms of this Agreement and notwithstanding both the parties to this Agreement getting their rights for termination of the Agreement after a period of one year under section 116(3) of the Bombay Industrial Relations Act, 1946, both the parties agree that they shall not exercise their right of termination of this Agreement, since as this Agreement makes provision for payment of *ad hoc* bonus each year for the years 1959, 1960, 1961 and 1962 without reference to the result of working of the mills in the respective years, it is necessary that it should remain operative for that period.

Ahmedabad, dated the 13th October 1961.

For the Ahmedabad Millowners' Association,  
Ahmedabad.

(Sd.) ARVIND NAROTTAM,  
President.

For the Textile Labour Association,  
Ahmedabad.

(Sd.) S. R. VASAVADA,  
Secretary.

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## ANNEXURE 'A'

List of local member mills of the Ahmedabad Millowners' Association referred to in paragraph 1 of the Agreement (to which this list is annexed) which authorised in writing Shri Arvindbhai Narottambhai, President of the Ahmedabad Millowners' Association to negotiate and to arrive at a settlement as deemed fit with the Textile Labour Association, Ahmedabad, the Representative Union, the Bonus Issue for the years 1959, 1960, 1961 and 1962 and which have agreed to be bound by such settlement.

1. The Ahmedabad Advance Mills Ltd.
2. The Ahmedabad Kaiser-I-Hind Mills Co. Ltd.
3. The Ahmedabad New Cotton Mills Co. Ltd.
4. The Ahmedabad Shri Ramkrishna Mills Co. Ltd.
5. The Ajit Mills Ltd.
6. The Aruna Mills Ltd.
7. The Arvind Mills Ltd.
8. The Aryodaya Gng. & Mfg. Co. Ltd.
9. The Aryodaya Spg. & Wvg. Co. Ltd.
10. The Asarva Mills Ltd.
11. The Asoka Mills Ltd.
12. The Bechardas Spg. & Wvg. Mills Co. Ltd.
13. The Bhalakia Mills Co. Ltd.
14. The Bharatkhand Textile Mfg. Co. Ltd.
15. The Bharat Suryodaya Mills Co. Ltd.
16. The Commercial Ahmedabad Mills Co. Ltd.
17. The Girdhardas Harivallabhdas Mills Co. Ltd.
18. The Gujarat Hosiery Factory.
19. The Himabhai Mfg. Co. Ltd.
20. The Jehangir Vakil Mills Co. Ltd.
21. The Maheshwari Mills Ltd.
22. The Manekchowk & Ahmedabad Mfg. Co. Ltd.
23. The Maneklal Harilal Spg. & Mfg. Co. Ltd.
24. The Marsden Spg. & Mfg. Co. Ltd.
25. The Monogram Mills Co. Ltd.
26. The Nagri Mills Co. Ltd.
27. The New Asarva Mfg. Co. Ltd.
28. The New Asarva Mills (Private) Ltd.
29. The New Commercial Mills Co. Ltd. No. 1 & No. 2.
30. The New Gujarat Cotton Mills Co. Ltd.
31. The New Rajpur Mills Co. Ltd.
32. The New Shorrock Spg. & Mfg. Co. Ltd., Ahmedabad.
33. The New Swadeshi Mills of Ahmedabad Ltd.
34. The Nutan Mills Ltd.
35. The Patel Mills Co. Ltd.
36. The Raipur Mfg. Co. Ltd.
37. The Rajnagar Spg., Wvg. & Mfg. Co. Ltd. No. 1 & No. 2.
38. The Rohit Mills Ltd.
39. The Rustom Jehangir Vakil Mills Co. Ltd.
40. The Sarangpur Cotton Mfg. Co. Ltd. No. 1 and No. 2.
41. The Saraspur Mills Ltd.
42. The Shri Ambica Mills Ltd. No. 1 and No. 2.
43. Shri Arbuda Mills Ltd.
44. Shri Vivekananda Mills Co. Ltd.
45. The Silver Cotton Mills Co. Ltd.
46. The Tarun Commercial Mills Ltd.
47. The Vijaya Mills Co. Ltd.
48. The Vikram Mills Ltd.

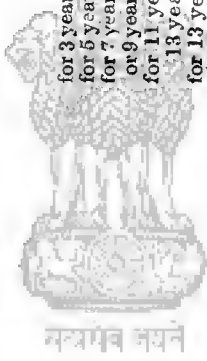
**APPENDIX X**  
**PROVIDENT FUND**

Sr. No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
<b>INDUSTRY : ENGINEERING</b>					
1	Ashok Brothers (Engineering)	.. .. Workmen	Ahmedabad	A Scheme of Provident Fund shall be introduced for the workmen with effect from 1st January 1959, on the lines of the Provident Fund Act as applicable to the Engineering Industry.	Settlement, dated 18th July 1958. (No. 86 of 1958).
2	Bharat Iron & Brass Foundries	.. .. Workmen	Ahmedabad	The management has agreed to introduce a Scheme of Provident Fund voluntarily at the rate of 6½ per cent. or at the rate fixed by the Government.	Ref. (IT) No. 68 of 1958, Award, dated 30th September 1958. (Unpublished).
3	R. M. Engineering Works	.. .. Workmen	Ahmedabad	The company agrees to implement the Provident Fund Scheme as per the Provident Fund Act.	Settlement, dated 16th January 1958 (No. 5 of 1958).
4	Shri Vithaldas & Co.	.. .. Workmen	Ahmedabad	The Company agrees to implement the Provident Fund Scheme from 1st January 1962 as per the Provident Fund Act.	Settlement, dated 24th November 1961.
<b>INDUSTRY : CHEMICAL</b>					
1	Anil Starch Products Ltd.	.. .. Workmen	Ahmedabad	(1) All workers who are confirmed should automatically become members of the Provident Fund. (2) The subscription of each member shall be one anna four pies in a rupee of his basic salary or wages. (3) The Company's subscription shall be equal to the workers' contribution.  The other Rules shall be framed by the Company on the lines of the Employees Provident Fund Scheme, 1952, with such variations if any, as may be agreed upon by both the sides.	Ref. (IT) No. 147 of 1953, Bombay Government Gazette, Part I-L, dated 5th August 1954, P. 2022.
2	Anil Starch Products Ltd	.. .. Workmen	Ahmedabad	The Scheme of Provident Fund granted in the Award in Ref. (IT) No. 147 of 1953 shall be continued by the Company.	L. A. T. Appeal (Bom.) No. 212 of 1954, Bombay Government Gazette, Part I-L, dated 2nd February 1956, P. 316.



3	Ahmedabad Mfg. & Calico Printing Co. Ltd., (Chemical Division).	Workmen	Ahmedabad	The Provident Fund Scheme shall be introduced by the Company. The workers' contribution shall be one anna in a rupee of his wages (i.e. basic wages and D.A.). The Company shall contribute the equal amount. The other terms and conditions may be framed on the lines of the Rules framed under the Employees' Provident Fund Act, 1952, in so far as they are applicable.	Ref. (IT) No. 20 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 24th January 1957, P. 480.
4	Baroda Chemical Industries	Workmen	Dabhoi	A Scheme of Provident Fund shall be introduced by the Management for all the workmen (including staff members) of the concern from 1st January 1961 on the lines of one existing at present for the workmen of the Cotton Textile Industry at Baroda under the P. F. Act. A workman who has put in 240 days presence in the concern during the year 1959 shall be entitled to the benefits of the P. F. Scheme and henceforth one who puts in 240 days presence in the concern during 12 months shall also be entitled to the benefits of P. F. Scheme.	Settlement, dated 3rd September 1960. (No. 78 of 1960).
5	Maize Products	Clerical staff	Kathawada (Ahmedabad)	The Company by way of amicable settlement and in view of the fact that clerical employees are few in number, as a special case agrees to make necessary changes so as to provide for contribution of 6½ per cent. also on D. A. from 1st April 1960, subject to the approval of the income-tax authorities.	Ref. (IT) No. 409 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 18th June 1959, P. 2718.
6	Maize Products	Workmen	"	1. All workers who are confirmed should automatically become members of the P. F. 2. The subscription of each member shall be one anna four pies in a rupee of his basic salary or wage. 3. The company's contribution shall be equal to the workers' contribution.	Ref. (IT) No. 6 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 16th June 1955, P. 1737.
7	Sayaji Mills Ltd., (Maize Products Dairy Section) Kathwada, Ahmedabad.	Maize Products Dairy Section Workmen.	Ahmedabad	A scheme of P. F. shall be framed as prevailing in the Starch Division of the Company. It will come into force from 1st January 1958.	Settlement, dated 19th October 1957. (No. 136 of 1957).
INDUSTRY : HOSPITAL					
1	Arvind, Ashok & Aruna Mills Hospital, Ahmedabad.	Workmen	Ahmedabad	Provident Fund is constituted under the Arvind, Ashok and Aruna Mills Hospital Employees' Provident Fund Rules on the lines of the Employees' Provident Fund Scheme, 1952, framed by the Central Government and the same shall be continued.	Settlement, dated 26th September 1956. (No. 119 of 1956).

## APPENDIX X—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
INDUSTRY : GLASS					
1	Alembic Glass Industries, Baroda	..	Baroda	(1) As per existing scheme the contribution both of the workers and the Co. at present is one anna four pies of a workers basic wages and the same will continue. (2) The employees getting basic wages of Rs. 24 per month shall also be eligible to join the Provident Fund Scheme. (3) In case of voluntary retirement the employees will be paid as under : —	Ref. (IT) No. 141 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 10th March 1955, P. 716.
					
INDUSTRY : LOCAL AUTHORITY					
1	Ankleshwar Municipality	..	Ankleshwar	The Provident Fund Scheme is applicable to all the workmen except High School Teachers and Safai Kamdars. It is directed that the benefit of Provident Fund shall be given to Safai Kamdars also by the Municipality and the present rate of contribution of 6½ per cent. of basic pay shall be continued.	Ref. (IT) No. 151 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 28th March 1957, P. 1730.
2	Baroda Borough Municipality	..	Baroda	The Municipality shall pay contribution to the Provident Fund at the rate of 1/12th of the basic salary of the present workmen and the same shall be the rate of deduction from the salary of the workmen.	Ref. (IT) No. 76 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 16th February 1956, P. 512.
3	Bhadran Municipality	..	Bhadran	The Municipality agrees to give Provident Fund benefit to all the Safai Kamdars and for that purpose they will be considered to have joined services of the Municipality from 10th February 1958, the date they are taken up as full time workers.	Settlement, dated 4th March 1958. (No. 22 of 1958)

4	Dabhoi Municipality	..	..	Workmen	Dabhoi	The Provident Fund will be introduced. The workers shall contribute one anna in a rupee out of their basic pay and equal amount will be paid by the Municipality.	Ref. (IT) No. 96 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 17th January 1957, P. 292.
5	Dhrangadhra Municipality	..	..	Workmen	Dhrangadhra	The Municipality shall, therefore, modify its provident fund scheme by making deductions at the rate of 6 per cent. from both the basic wages and D. A. and shall make its contribution on the same basis.	(IT) No. 66 of 1958, Award dated 29th December 1958. (Unpublished)
6	Gandevi Municipality	..	..	Workmen	Gandevi	All the workmen shall get the benefit of the Provident Fund Scheme. The contribution per rupee shall be 0-1-3 from the workmen and an equal amount shall be contributed by the Municipality.	Settlement, dated 24th December 1954.
7	Gondal City Municipality	..	..	Workmen	Gondal	Municipality shall introduce a Provident Fund Scheme providing 6½ per cent. contribution by the workmen and ½ per cent. contribution by the Municipality from 1st April 1961. By this date municipality shall formulate a suitable Provident Fund Scheme.	Ref. (IT) No. 11 of 1960, <i>Bombay Government Gazette</i> , Part I-L, dated 24th November 1960, P. 862.
8	Kalol Municipality	..	..	Workmen	Kalol	Existing Scheme to continue.	(IT) No. 10 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 3rd June 1954, P. 1391.
9	Lunawada Municipality	..	..	Safai Kamdars	Lunawada	Safai Kamdars shall get the benefit of the Provident Fund Scheme which is proposed to be granted by the Municipality to its other employees.	Ref. (IT) No. 39 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 16th July 1953, P. 1600.
10	Limbdi Town Municipality	..	..	Workmen	Limbdi	Rate of contribution to Provident Fund is 6¼ per cent. of the basic salary.	Settlement, dated 31st May 1955.
11	Patan Municipality	..	..	Workmen	Patan	The Municipality agrees to extend the benefits of Provident Fund available to the permanent employee subject to rules and bye-laws in the matter, to all those who should be confirmed.	Agreement, dated 7th March 1956.
12	Sanand Municipality	..	..	All workers	Sanand	The Municipality shall introduce the Provident Fund scheme as per Government rules for the benefits of all the workmen.	Settlement, dated 22nd November 1954 (No. 1045 of 1954).
13	Unza Municipality	..	..	Safai Kamdars	Unza	There is a Provident Fund scheme for the permanent employees of the municipality and the Safai Kamdars who shall be made permanent under the awards on demand Nos. 1 and 3, herein should be granted the benefit of the municipal Provident Fund Scheme from the date they are made permanent.	Ref. (IT) No. 150 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 1st October, 1953, P. 2144.

APPENDIX X—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
14	Upleta Municipality	..	..	The Provident Fund Scheme should be introduced by the municipality. This scheme shall be framed by the municipality with suitable changes on the lines of the model scheme framed under the Provident Fund Act, 1952, with the difference that the contribution of the employees and of the Municipality shall be 6½ per cent. and not 8½ per cent. Such scheme shall be introduced by the Municipality from 1st April 1958.	Ref. (IT) No. 30 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 8th August 1957, P. 3442.
1	Alambic Chemical Works, Baroda	..	Baroda	The demand for change in Provident Fund is rejected but the Co.'s present practice of giving Provident Fund scheme is as under :— Every member of permanent staff who is in the employ of the Co. on the first day of January, 1944 and every person who may be appointed to the permanent staff of the Co. after the said 1st day of January 1944 and who is in receipt of a salary of not less than Rs. 25 p. m. is expected to contribute to the Fund during the period of his service at the rate of one anna and four pies in the rupee of his monthly salary. The scheme of Co. is as under :— (1) Full contribution is payable to the workmen after completion of 15 years of satisfactory service or after retrenchment or retirement due to ill health or death. (2) If the service is less than 4 years, no portion of Co.'s contribution is payable. (3) If the service is more than 4 but less than 8 years 25 per cent. of Co.'s contribution is payable. (4) If the service is more than 8 years but less than 12 years 50 per cent. of Co.'s contribution is payable. (5) If the service of workmen is more than 12 years but less than 15 years 75 per cent. of the Co.'s contribution is payable.	Ref. (IT) No. 156 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 24th March 1955, P. 858.

INDUSTRY : PRINTING PRESSES

A

1 Anand Press Workmen Anand The contribution of the workers will be 6 n.p. per rupee on 50 per cent. of the wages of each worker and the Press will contribute equal amount. The whole amount will be invested as at present. Ref. (IT) No. 402 of 1958, *Bombay Government Gazette*, Part I-L, dated 3rd September 1959, P. 3864.

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2 Sandesh Limited Workmen Ahmedabad At present the rate of contribution is Rs. 0.1-4 per rupee of basic wage, by both parties. This rate of contribution should not be disturbed. If and when the employees' Provident Fund Act is made applicable to this industry it will have to follow the direction given in the rules prescribed under that Act. Until then that rate of contribution should remain as it is. Ref. (IT) No. 123 of 1955, *Bombay Government Gazette*, Part I-L, dated 24th May 1956, P. 1849.

The direction as regards the payment of employer's contribution is :

1 years' service	Nil.
2 "	20 per cent.
3 "	40 per cent.
4 "	60 per cent.
5 "	Full.

3 Sandesh Limited Workmen Ahmedabad The Award of the Lower Tribunal is modified as under : The rate of contribution to the Provident Fund by the workmen shall be one anna in a rupee on the total wage including D.A. The employer shall also contribute to the fund at the said rate on the total wages including D. A. This rate shall be given only as long as the Working Journalists Act, 1955 remains in force. Every workman shall be given an option to elect the present rate of contribution which is Rupee 0.1-4 on every rupee of the basic wage. In that case the employer's contribution shall also be at the rate of Rupee 0.1-4 on every rupee of the basic wage. This option will have to be exercised before 31st December 1956. Ref. LAT Appeal (Bom.) Nos. 180 & 184 of 1956, *Bombay Government Gazette*, Part I-L, dated 29th November 1956. P. 4587-88.

4 Sastu Sahitya Vardhak Karyalaya Workmen Ahmedabad The Employees Provident Fund Act, 1952 has been made applicable to this institution and as such Provident Fund is in force as per the scheme under that Act. Each workman will be entitled for the institutions, contributions as per the Scheme approved by Government. Settlement, dated 27th April 1957. (No. 195 of 1956)

APPENDIX X—*contd.*

Sr. No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6

INDUSTRY : HOTELS AND RESTAURANTS

N

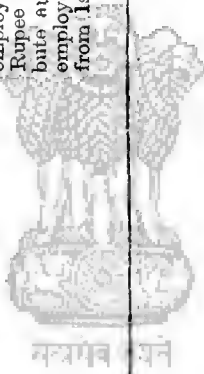
1	New India Industries Ltd., Employees' Co-operative Credit Society Ltd., Baroda (No. 1).	Workmen	Baroda	A scheme of Provident Fund shall be introduced by the management for the workmen of the canteen on the lines of the one introduced by the Provident Fund Act to the employees of the Cotton Textile Industry at Baroda.	Settlement, dated 29th July 1959. (No. 117 of 1959)
2	Do. (No. 2)	Workmen	Baroda	As above.	Settlement, dated 29th July 1959. (No. 118 of 1959)
3	Shri Sayaji Mills Co-operative Supply Society Ltd., Baroda.	Workmen	Baroda	A scheme of Provident Fund shall be introduced by the management for the workmen of the canteen on the lines of the one introduced by the Provident Fund Act to the employees of the Cotton Textile Industry at Baroda. A workman who puts in 240 days' presence in the canteen in any 12 months commencing from 1st August 1959, shall be entitled to the benefits of the Provident Fund Scheme.	Settlement, dated 9th February 1960. (No. 20 of 1960)
4	Sarangpur Mills Employees Co-operative Supply Society Canteen Ltd., Ahmedabad. No. 1	Workmen	Ahmedabad	A scheme of Provident Fund shall be introduced for the workmen of the canteen on the lines of that applicable to the Cotton Textile Workers at Ahmedabad from 1st January 1959.	Settlement, dated 17th March 1959. (No. 118 of 1958)
5	Do. No. 2	Workmen	Ahmedabad	Do.	Settlement, dated 17th March 1959. (No. 119 of 1958)

## INDUSTRY : POTTERIES

- |   |                                   |    |             |             |  |  |
|---|-----------------------------------|----|-------------|-------------|--|--|
| 1 | Parshuram Pottery Works Co., Ltd. | .. | All workmen | Dhrangadhra | The workmen of the factory should also get the benefit of the Provident Fund scheme introduced by the Co. for the workmen of its factories at Than, Wankaner and Morvi.  | Reference No. 82 of 1955<br><i>Bombay Government Gazette</i> ,<br>Part I-L, dated 7th February<br>1957, P. 738.    |
| 2 | Vasuki Carborandum Works,         | .. | All workmen | Thangadh    | Provident Fund Scheme should be introduced in this factory from the next financial year, that is from Samvat year 2015. Such scheme shall be framed by the employer firm in accordance with the scheme framed by the Central Government under section 5 of the Employees Provident Fund Act, 1952. | Reference (IT) No. 18 of 1958,<br><i>Bombay Government Gazette</i> ,<br>Part I-L, September 25th 1958,<br>P. 4580. |

## INDUSTRY : CEMENT

- |   |                    |    |         |       |  |  |
|---|--------------------|----|---------|-------|--|--|
| 1 | Spun Pipe Co. Ltd. | .. | Workmen | Surat | The management shall introduce a system of Provident Fund benefit which shall be allowed to permanent employees only and shall deduct from the permanent employee's salary including D. A. Re. 0-1-0 (anna) per Rupee every month. The management shall contribute an equal amount which shall be added to the employee's contribution. This shall come into force from 1st August 1956. | Settlement, dated 11th April<br>1956. (No. 49 of 1956) |
|---|--------------------|----|---------|-------|--|--|



## APPENDIX XI

## GRATUITY

## Industry : Engineering

Sr. No.	Name of the concern	Reference
<b>A</b>		
1	Associated Motors Ltd., Ahmedabad and The workmen employed under it.	Conciliation Case No. 1083/1954 Settlement, dated 23rd Nov- ember 1954.

*Terms of Settlement*

- |  |  |
|--|--|
| <p>1. In case of termination of service by the management or death or disability of workmen as the case may be.</p> <p>2. In case of voluntary retirement or resignation after ten years of service.</p> <p>3. No gratuity will be paid if the workman is paid retrenchment compensation under the Industrial Disputes ( Amendment ) Act, 1953. In case of termination of service for criminal offence, involving moral turpitude the workman will not be entitled to gratuity.</p> <p>4. In case of termination of service for damage to the property of the concern by workman he will not be entitled to gratuity upto the extent of damage caused by his misconduct.</p> | <p>1. At the rate of 15 days' wages for each year of service subject to maximum amount of 15 months' wages.</p> <p>2. He will be paid at the rate 15 days' wages for each year of service subject to the maximum amount of 15 months' wages.</p> |
|--|--|

**B**

- |   |  |
|---|--|
| <p>2 M/s. Bharat Industries, Ahme-<br/>dabad.<br/>and</p> | <p>Reference (IT) No. 41 of 1959,<br/>Award dated 18th February<br/>1960. (Unpublished).</p> |
|---|--|

Workmen employed under it.

*Direction given by the Tribunal*

The following Gratuity Scheme shall be introduced that in case of death or disability of workman, while in service he or his heirs as the case may be shall be paid gratuity at the rate of 15 days' wages per year of service, subject to a maximum of seven and half months' wages.

The wages for the purpose of payment of gratuity shall be his average pay of the last six months.

- |   |  |
|---|--|
| <p>3 Bharat Iron and Brass Foundries,<br/>Ahmedabad<br/>and</p> | <p>Ref. (IT) No. 63 of 1958, Award<br/>dated 30th September 1958.<br/>(Unpublished).</p> |
|---|--|

Workmen employed under it.



*Direction given by the Tribunal*

In view of the fact that the first party is introducing a scheme of provident fund voluntarily at the rate of  $6\frac{1}{4}$  per cent. or at the rate fixed by the Government, the second party have accepted the partial gratuity scheme as under.—

1. Those of the workmen in the concern as at present who will be completing ten or more years of service as on the date when the Provident Fund Scheme is introduced or on 1st January 1959 latest, shall be paid within two months, 15 days' wages ( consolidated ) for their each completed year of service.

2. Those of the workmen who will have put up the service of less than ten years as on the date when Provident Fund Scheme is introduced shall be paid 15 days' consolidated wages per year of service for the service prior to the date when Provident Fund Scheme is introduced, provided he completes not less than 10 years of service in the concern in future.

3. If any workman employed prior to the date when Provident Fund Scheme is introduced dies or becomes incapable of further service due to his mental or physical disability, he shall be paid as at the rate laid down above and in this case it would not be necessary for him to complete ten years of service.

4. By accepting the gratuity as above the workman will not entail any break in their services except for the purpose of computing the length of service under the Gratuity Scheme. If it were to be introduced in future either by any law or otherwise, the workmen themselves shall not demand any Scheme of gratuity in future.

4 M/s. Bhogilal Jethalal and Brothers, Award in Ref. (IT) No. 64 of 1958,  
Ahmedabad. dated 29th September 1958  
( unpublished )

and

Workmen employed under it.

*Direction given by the Tribunal*

- |  |  |
|--|--|
| 1. On the death of an employee or his physical or mental disability incapacitating him from further service. | 1. 15 days' consolidated wages for each completed year of service subject to a maximum of 15 months' consolidated wages to be paid to the worker or if he is dead to his executors or assignees or legal representatives as the case may be. |
| 2. On voluntary retirement or resignation after 15 years of service with the company.                        | 2. 15 days' consolidated wages for each year of service, subject to a maximum of 15 months' consolidated wages.  |
| 3. On termination of service by the Co. after 10 years of service.   | 3. 15 days' consolidated wages for each year of service subject to a maximum of 15 months' consolidated wages.   |

4. Gratuity shall not be paid to a worker who is dismissed for dishonesty or misconduct.

5. Salary for the purpose of gratuity shall be the salary drawn by the worker on the date of his leaving the service.

6. In case where a worker is to be paid retrenchment benefit amount, he shall not be paid gratuity.

#### D

5 Damodardas Himatlal Iron and Brass Factory, Ahmedabad Settlement ( No. 20 of 1957 ), dated 17th September 1957.

and

Workmen employed under it.

#### *Terms of Settlement*

All the workmen or their legal representatives as the case may be shall get gratuity in the case of death, disability or on termination of service at the rate of 15 days' consolidated wages per year of service. Whenever any workman is entitled to receive retrenchment compensation under the provisions of Industrial Disputes Act, he shall not be entitled to both, but to whichever is higher.

In the case of voluntary resignation the workman shall be entitled to get gratuity as above provided he has completed 15 years of service. No workman dismissed for misconduct shall be entitled to any gratuity.

6 Dalpatram Girdharlal's Factory, Ahmedabad Settlement, dated 14th October, 1958.  
*versus* ( Case No. 88 of 1958 ).

Workmen employed under it.

#### *Terms of settlement*

- |   |   |
|---|---|
| 1. On the death or physical or mental disability of the worker incapacitating him from further service. | 15 days' consolidated wages for each completed year of service subject to maximum of 15 months' consolidated wages to be paid to the worker or if he is dead to his executors, assignees or legal representatives as the case may be. |
| 2. On voluntary retirement or resignation after 15 years' service with the company.                     | 15 days' consolidated wages for each year of service subject to a maximum of 15 months' consolidated wages.   |
| 3. On termination of service by the company after 10 years' of service.                                 | 15 days' consolidated wages for each year of service subject to a maximum of 15 months' consolidated wages.   |

4. Gratuity shall not be paid to a worker who is dismissed for dishonesty or misconduct.

5. Salary for the purpose of gratuity shall be the salary drawn by the worker on the date of his leaving the service.

6. In case where a worker is to be paid retrenchment benefit amount, he shall not be paid gratuity.

### F

7 Fulchand Mulchands' Ahmedabad Settlement (No. 9 of 1955), dated 17th January 1955.  
and

Workmen employed under it.

### *Terms of Settlement*

Every workman shall be paid gratuity at the rate of 15 days' wages per year of service in case of death, disability and termination of service. In case of voluntary resignation, a workman shall be entitled to the same provided he has completed a period of 10 years service. Maximum amount of gratuity shall not exceed in any case, more than 15 months' wages. In case of dismissal for criminal offence involving moral turpitude and for serious accident due to gross negligence the workman shall not get any gratuity and for dismissal for damage shall not get gratuity to the extent of financial loss caused by his gross negligence.

Whenever any workman is paid retrenchment compensation under the provisions of the Industrial Disputes (Amendment) Act, 1953 he will not be entitled to gratuity.

### G

8. Gujarat Engineering Co., Ahmedabad Award in Ref. (IT) No. 218 of 1958 *Bombay Government Gazette*, Part I-L, dated 17th September 1959, p. 4096.  
and

Workmen employed under it.

### *Direction given by the Tribunal*

- |  |   |
|--|---|
| <p>1. In case of death of an employee while in the service of the Company.</p> <p>2. In case of permanent incapacity of an employee on account of mental or physical infirmity while in the service.</p> | <p>1. Gratuity shall be paid equal to 13 days' pay for every completed year of service to his heirs or legal representatives as the case may be.</p> <p>2. Gratuity shall be paid as above.</p> |
|--|---|

3. In case of retirement or resignation by an employee after continuous service for ten years. 3. Gratuity shall be paid as above.
4. In case of termination of service by the firm after 5 years otherwise than for misconduct. 4. Gratuity shall be paid as above.
5. In all above cases gratuity will be subject to a maximum of full pay for  $7\frac{1}{2}$  months of 26 days.
6. For the purpose of calculating gratuity, pay shall be the average pay drawn by the employee for 6 months immediately preceeding the month in which gratuity becomes payable.

### M

- 9 Mahalaxmi Vijay Iron and Brass Ref (IT) No. 53 of 1958, *Bombay Government Gazette*, Part I-L, Factory, Ahmedabad dated 18th September 1958, p. 4493.
- and

Workmen employed under it.

### *Direction given by the Tribunal*

1. On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated for further service. 1. 10 days' consolidated wages for each completed year of service subject to a maximum of 10 months' consolidated wages shall be paid to the workman or if he is dead to his heirs, legal representatives or assignees or executors or nominees as the case may be.
2. On voluntary retirement or resignation of an employee after 15 years of continuous service in the concern. 2. 10 days' consolidated wages shall be paid to him for each completed year of service subject to a maximum of ten months' consolidated wages.
3. On termination of service by the concern for reason other than misconduct of the workman after 10 years continuous service in the concern. 3. 10 days' consolidated wages for each completed year of service shall be paid to him.
4. Wages for the purpose of calculating gratuity will be the wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

- 10 Mahendra Mills Ltd., Kalol Reference (IT) No. 171 of 1958, (Healds and Reeds section) Award dated 16th April 1959 ( Unpublished ).

and

The workmen employed under it.

*Direction given by the Tribunal*

1. On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated for further service.
1. One month's basic wages for each completed year of service for the period before coming into force of the P. F. Act., 1952, in the textile industry in Ahmedabad and half a months' basic wages for each completed year of service thereafter subject to maximum of 15 months' basic wages to be paid to him or his heirs or executors or nominees as the case may be.
2. On voluntary retirement or resignation of an employee.
2. After 15 years continuous service in the Co. on the same scale as in (1) above.
3. On termination of service by the Company.
- 3.
- (a) After ten years' continuous service but less than 15 years' service in the Company.
- (a)  $\frac{3}{4}$  of a month's basic wages for each completed year of service before the coming into force of the P. F. Act, 1952, and half a month's basic wages for each completed year of service thereafter.
- (b) After 15 years' continuous service in the Company.
- (b) On the same scale as in (1).
4. Basic wages for the purpose of this scheme shall be the average of the basic wages payable to a workman during the twelve months next preceding death, disability, retirement, resignation or termination of service.
5. For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service. Subject to this condition service for the purpose of gratuity shall include service in other sections of Mahendra Mills Ltd., Kalol.
6. Gratuity will not be payable to an employee who is dismissed for misconduct.
7. The scheme regarding gratuity will come into force from 1st August 1958.
8. For the purpose of this settlement, workman means any permanent employee or badli, but not an apprentice. Any apprentice employed by the Co. will get all the benefits under this settlement if he is continued in

service for more than six months in future. New apprentices will be recruited after absorbing the present strength of workers either as badli, temporary or permanent workmen.

- 11 M/s Mangaldas Jethabhai and Sons, Award in Ref. (IT) No. 150 of  
Ahmedabad 1957, dated 29th November 1957.  
and ( Unpublished )

The workmen employed under it.

*Direction given by the Tribunal*

- |   |  |
|---|--|
| 1. On the death or physical or mental disability of worker incapacitating him from further service.                               | 1. 10 days' consolidated wages for each completed year of service subject to a maximum of 10 months' consolidated wages to be paid to the worker, or if he has died to his executors, assignees or legal representatives as the case may be. |
| 2. On voluntary retirement or resignation after 15 years continuous service with the Co.  | 2. 10 days' consolidated wages for each year of service subject to a maximum of 10 months' consolidated wages.   |
| 3. On termination of service after 10 years service with the Co.  | 3. 10 days' consolidated wages for each year of service subject to a maximum of 10 months' consolidated wages.   |
| 4. Gratuity shall not be paid to a workman who has been dismissed for dishonesty or misconduct.                                   |  |
| 5. Salary for the purpose of gratuity shall be the salary drawn by the workman on the date of his leaving service of the company. |  |

- 12 The Metal Moulders Private Ltd., Award in Ref. (IT) No. 175 of  
Ahmedabad 1957, dated 22nd November  
and 1957 ( Unpublished ).

The Workmen employed under it.

*Direction given by the Tribunal*

- |   |   |
|---|---|
| 1. On the death or physical or mental incapacity.                           | 1. At the rate of 15 days' total wages per year of continuous service subject to a maximum of 15 months' wages. |
| 2. In case of resignation or retirement after 10 years' continuous service. | 2. 15 days' wages per year of service subject to a maximum of 15 months' wages.                                 |

3. No gratuity shall be payable to an employee who is dismissed for misconduct.

4. Gratuity will be paid on the basis of total average wages in the last 12 months preceding the date of death, incapacity, discharge, resignation or retrenchment as the case may be.

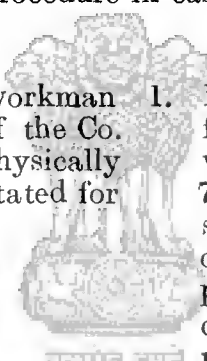
5. Provided that if retrenchment or closure compensation is to be given to such employees this gratuity shall not be in addition, but whichever amount is greater shall alone be paid.

13 M. M. Panchal Factories Nos. 1 and 2, Ahmedabad and Award in Ref. (IT) No. 243 of 1958, *Bombay Government Gazette*, Part I-L, dated 20th November 1958, Page 5693.

The workmen employed under it.

*Direction given by the Tribunal*

A Gratuity Scheme shall be introduced on the following terms and conditions subject to the condition that the employer will be entitled to terminate it by following the required procedure in case provident fund is enforced by any statute or otherwise :—

- 
- |   |   |
|---|---|
| 1. In case of death of a workman while in the service of the Co. or on his becoming physically or mentally incapacitated for further service. | 1. 15 days' consolidated wages for each completed year of service subject to a maximum of 7½ months' consolidated wages shall be paid to the workman or if he has died to his legal representatives or assignees, executors or nominees as the case may be.                         |
| 2. On voluntary retirement or resignation of a workman after 15 years' continuous service in the concern.                                     | 2. 7½ months' consolidated wages shall be paid to him, provided that a workman who resigns or retires within one year of the date of publication of this award shall not be eligible to this gratuity. But in the case of death his heirs will be entitled to gratuity as provided. |
| 3. On termination of service by the concern for reason other than misconduct of the workman.  | 3. 15 days' consolidated wages for each completed year of service, shall be paid to him.  |

4. Provided that if a workman is retrenched or is deemed to have been retrenched and is to be paid retrenchment compensation he shall be eligible to only one of the two benefits of retrenchment compensation or gratuity whichever is higher but not both in any case.

5. Wages for purpose of calculating gratuity will be the average wages drawn by the workman in the twelve months immediately preceding the occurrence of the event entitling him to gratuity.

14 Machinery Supplying Co., Ahmedabad Settlement, dated 14th February, 1956.

and

Workmen employed under it.

*Terms of Settlement*

Gratuity.—Every workman shall be paid gratuity at the rate of 15 days' wages per year of service in case of death, disability and termination of service.

In case of voluntary resignation of a workman he shall be entitled to the same, provided he has completed a period of 10 years of service. The maximum amount of gratuity shall not exceed in any case more than 15 months wages.

In case of dismissal for misconduct for criminal offence involving moral turpitude and for dismissal for damage to the extent of financial loss by his gross negligence, the workman shall not get gratuity. Whenever any workman is entitled to receive retrenchment compensation under the provisions of the Industrial disputes ( Amendment ) Act, 1953, he will not be entitled to both, but to which ever is greater.

**N**

15 Nagardas Bechardas Brothers, Settlement ( No. 72 of 1958 ),  
Ahmedabad dated 14th April 1958.

and

The workmen employed under it.

*Terms of Settlement*

- |   |  |
|---|--|
| 1. In case of death or disability.  | 1. Workman or their legal representatives shall be paid gratuity at the rate of 15 days' wages per year of service.                                  |
| 2. In case of termination of service after 10 years and in case of voluntary resignation. | 2. A workman shall be entitled to get gratuity at the above rate provided he has completed 15 years of continuous service on the day of resignation. |

3. The maximum amount of gratuity that can be paid to any workman shall not exceed 15 months' wages. No workman who has been dismissed for criminal offence involving moral turpitude shall be paid gratuity. A workman, who has been dismissed for causing damage, shall not get gratuity to the extent of the financial loss caused by him due to his gross negligence.



- 16 Nanuram Gashiram Moulding Settlement (No. 21 of 1956), dated  
Works, Ahmedabad 27th June 1956.

and

The workmen employed under it.

### *Terms of Settlement*

1. Gratuity shall be paid to every workman at the rate of 15 days' wages per year of service in case of death, disability and termination of service.

2. In case of voluntary resignation of a workman he shall be entitled to the same provided he has completed a period of 10 years of service. The maximum amount of gratuity shall not exceed in any case more than 15 months' wages.

3. In case of dismissal for criminal offence involving moral turpitude and for dismissal for damage to the extent of financial loss by his gross negligence the workman shall not get gratuity.

4. Whenever any workman is entitled to receive retrenchment compensation under the provisions of the Industrial Disputes ( Amendment ) Act, 1953, he will not be entitled to both but he will get whichever is greater.

- 17 Naran Lala Metal Works, Navsari Ref. (IT) 127 of 1955, *Bombay*  
and *Government Gazette* Part I-L,  
The workmen employed under it. dated 19th January, 1956, P.191.

### *Direction given by the Tribunal*

1. On death or disability.

1. 15 days' basic wages per year of service subject to a maximum of  $7\frac{1}{2}$  months' salary.

2. On voluntary retirement or resignation after 15 years continuous service.

2.  $7\frac{1}{2}$  months' basic salary.

\*3. On termination of service by the company.

3. 15 days' basic salary for each year of service.

4. Employees dismissed for misconduct will not be entitled to gratuity.

5. Salary for the purpose of calculating gratuity shall mean the substantive salary ( exclusive of D. A. ) of an employee on the date the employee ceases to be in the employment of the company.

---

*\*Note*—Those workmen who are discharged within 5 years of service will be given benefit both under this clause as well as statutory benefit under section 25 F of the I. D. Act, 1947. But after a service of 5 years such a workman shall be entitled to either of the benefits whichever is higher.

- 18 Naran Lala Metal Works, Ahmedabad Settlement (No.269 of 1960), dated 23rd March 1961.

and

The workmen employed under it.

*Terms of Settlement*

It is agreed between the parties that what is agreed upon by the parties in reference I. T. No. 127 of 1955, demand No. 11, will remain operative except sub-clause (3) therein with the alteration that the workers will be entitled to both the benefits instead of one as shown in "note" of clause (3) of demand No. 11.

**P**

- 19 Pahelwan Rustamkhan Nawabkhan Factory, Ahmedabad Ref. (IT) No. 125 of 1955 *Bombay Government Gazette*, Part I-L, dated 9th August, 1956, Page 2781.

and

The workmen employed in 2 factories.

*Direction given by the Tribunal*

1. On the death or disability of a workman gratuity at the rate of 7 days' total wages for every completed year of service.
2. On resignation after 15 years of service gratuity at the rate of 7 days' total wages for every year of service.

- 20 Punjabhai Vanmalidas & Sons, Ahmedabad Ref. (IT) 207 of 1956, Award dated 26th September 1957 (Unpublished).

*versus*

The workmen employed under it.

*Direction given by the Tribunal*

- |  |  |
|--|--|
| <ol style="list-style-type: none"> <li>1. On the death, retirement or resignation after 15 years continuous service.</li> <li>2. On termination of service (except for misconduct) after 10 years of service.</li> <li>3. Those workers who are entitled to retrenchment compensation on termination of service under section 25F of the Industrial Disputes Act, shall be paid such compensation or gratuity whichever is more but not both.</li> </ol> | <ol style="list-style-type: none"> <li>1. 15 days' wages per year of service subject to maximum of 15 months' wages.</li> <li>2. 15 days' wages per year of service subject to maximum of 15 months' wages.</li> </ol> |
|--|--|

Wages for the purpose of gratuity shall mean "Basic Wages" and for the purpose from the consolidated wages Re. 1 per day shall be considered to be dearness allowance. A period of six months absence shall be considered a break in continuity of service.

### S

21 Swastik Textile Trading Co., Settlement (No. 23 of 1960), dated  
Ahmedabad 21st April 1960.

and

The workmen employed under it.

### *Terms of Settlement*

The following Scheme of gratuity shall be introduced. In case of death or disability of a workman while in service of the concern, he or his heirs as the case may be, shall be paid at the rate of 15 days' wages per year of service.

*Provided that :—*

(1) The maximum amount of gratuity payable shall not exceed 7½ months' wages.

(2) Wages for the purpose of gratuity shall be calculated on the basis of the wages last drawn by the workman concerned.

(3) In case of disability, Civil Surgeons' certificate shall be produced.

### U

22 Umedram K. Mistry and Sons, Ah- Award in Ref. (IT) No. 240 of  
medabad 1958, *Bombay Government*  
and *Gazette*, Part I-L, dated 27th  
November 1958, Page 5873.

The workmen employed under it.

### *Direction given by the Tribunal*

- |  |  |
|--|--|
| <p>1. Those workmen who have served more than 15 years continuously.</p> <p>2. In the case of physical or mental disability of the worker incapacitating him from further service.</p> <p>3. No gratuity shall be paid in case of a worker dismissed for misconduct.</p> <p>4. In case where a worker is to be paid the retrenchment benefit, he shall not be paid gratuity.</p> | <p>1. Shall be paid gratuity at the rate of 15 days' wages per year of service in case of their retirement or resignation subject to a maximum of 15 months' wages.</p> <p>2. 15 days' wages for each completed year of service subject to a maximum of 15 months' wages to be paid to the worker or if he is dead to his executors, assignees, or legal representatives as the case may be.</p> |
|--|--|

## Industry : Chemical

Sr.  
No.

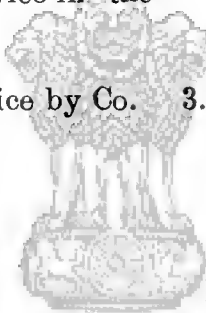
Name of the concern

Reference

## A

- |   |   |  |
|---|---|--|
| 1 | Ahmedabad Mfg. and Calico Printing Co. Ltd., Chemical Division<br><i>versus</i><br>The workmen employed under it. | (IT) No. 20 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 24th January 1957, page 481. |
|---|---|--|

*Direction given by the Tribunal*

- |   |  |
|---|--|
| 1. On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated for further service. | 1. One month's basic wages for each completed year of service for the period before the coming into force of the P. F. Act & half a months' basic wages for each completed year of service and thereafter subject to a maximum of 15 months' basic wages to be paid to him or his heirs or executors or nominees as the case may be.                             |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the Co.                                      | 2. On the same scale as in (1).  |
| 3. On termination of service by Co.   | 3. (a) After 10 years' continuous service but less than 15 years' service in the Co., 3/4th of a month's basic wages for each completed year of service before the coming into force of the P.F. Act and half a month's basic wages for each completed year of service thereafter.<br>(b) After 15 years' continuous service, on the same scale as in (1) above. |
-   
 नमो भगवते वासुदेवाय
4. Basic wages for the purpose of this scheme shall be the average of the basic wages payable to a worker during the 12 months next preceding death, disability, resignation, retirement or termination of service.
5. For the purpose of reckoning continuous service, break in service not exceeding 6 months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.
6. Gratuity will not be payable to an employee who is dismissed for misconduct.
- |   |  |  |
|---|--|--|
| 2 | Anil Starch Products, Ahmedabad<br>and<br>Workmen employed under it. | Settlement (No. 301 of 1960), dated 8th June 1961. |
|---|--|--|

The Company shall institute a scheme of gratuity for the benefit of the workmen (operatives only).

*Terms of Settlement*

- |   |   |
|---|---|
| <p>1. On the death of an employee while in the service of the company or on his becoming physically or mentally incapacitated for further service.</p> <p>2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the company.</p> <p>3. On termination of service by the company.</p> <p>(a) After 10 years' continuous service, but less than 15 years' service in the Co.</p> <p>(b) After 15 years' continuous service in the Co.</p> <p>4. When a workman is dismissed for misconduct, he will not be entitled to any gratuity.</p> | <p>1. One month's basic wages for each completed year of service for the period before January 1957, and half a month's basic wages for each completed year of service thereafter, subject to a maximum of 15 months' basic wages to be paid to him or to his heirs or executors or nominees, as the case may be.</p> <p>2. On the same scale as in (1).</p> <p>(a) Three-fourth as in item No. 1</p> <p>(b) On the same scale as in (1).</p> |
|---|---|
- 3 Anil Starch Products, Ahmedabad and  
Workmen employed under it.

Settlement ( No. 301 of 1960 ),  
dated 8th June 1961.

The Company shall institute a scheme of gratuity for the benefit of the Clerical and Technical Staff.

*Terms of Settlement*

- |  |  |
|--|--|
| <p>1. On death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated or on superannuation.</p> <p>2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the company.</p> | <p>1. One month's salary for each year of continuous service, subject to a maximum of 15 months' salary to be paid to him or to his heirs or executors or nominees as the case may be.</p> <p>2. Same as in (1).</p> |
|--|--|

3. On termination of service by the company :—

(a) After 10 years' continuous service, but less than 15 years' service in the Co.

(a) Three - fourths of Item No. 1.

(b) After 15 years' continuous service in the Co.

(b) Same as item No. 1.

4. When an employee is dismissed for misconduct or dishonesty, he will not be entitled to any gratuity .

4 Anil Starch Products Ltd., Ahmedabad  
and  
Workmen employed under it.

Award in Reference (IT) No. 147 of 1953, *Bombay Government Gazette*, Part I-L, 5th August 1954, page 2023.

*Direction given by the Tribunal*

1. On death of an employee while in the service of the Co. or on his physical or mental disability to continue in service further.

1. Half a month's salary or wages for each year of service to be paid to the disabled employee or, if he has died, to his heirs or legal representatives or assignees.

2. On voluntary retirement or resignation of an employee after 15 years' continuous service.

2. Half a month's salary or wages for each completed year of service.

3. The following conditions shall govern the grant of gratuity :—

(a) Salary or wages for the purpose of gratuity shall be the basic salary or wages payable at the time of retirement, death or permanent disability.

(b) The company shall be at liberty to grant gratuity in excess of the above at its discretion.

**D**

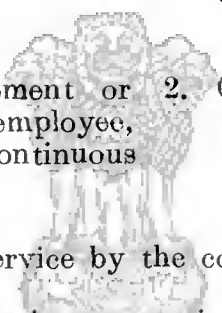
5 Dhrangadhra Chemical Works  
and  
The workmen employed under it.

Reference (IT) No. 37 of 1959, *Gujarat Government Gazette*, Part I-L, dated 25th May 1961, pages 1177-78.

*Direction given by the Tribunal*

As the parties have agreed to the revision of the scheme on these lines, it is directed that the scheme in force now shall be replaced by the scheme

of gratuity applicable to the textile workmen of Ahmedabad with this condition that the workmen would be entitled to one month's basic wages before the introduction of the Provident Fund Scheme and their basic wages for calculating the amount of gratuity shall be the average basic wage during the last year of service before retirement or termination of service. This would mean that for fixing the amount of gratuity, the average earnings in the last year will not be taken into consideration but the average wage that the workman was drawing during the last 12 months before retirement or termination of service will be taken as the basis. The scheme of gratuity applicable to the textile workmen of Ahmedabad as published in L.L.J.I. March 1958, Page 371 is as under:—

- |  |  |
|--|--|
| <p>“1. On the death of an employee while in the service of the mill company or on his becoming physically or mentally incapacitated for further service.</p>   | <p>1. One month's basic wages for each completed year of service for the period before the coming into force of the Provident Fund Act, 1952, in the textile industry in Ahmedabad, and half a month's basic wages for each completed year of service, hereafter, subject to maximum of 15 months' basic wages to be paid to him or his heirs or executors or nominees as the case may be.</p> |
| <p>2. On voluntary retirement or resignation of an employee, after 15 years' continuous service in the Co.</p>   | <p>2. On the same scale as in (1).</p>   |
|   |  |
| <p>3. On termination of service by the company —</p>   |  |
| <p>(a) After ten years' continuous service but less than fifteen years' service in the company:—Three-fourths of a month's basic wages for each completed year of service before the coming into force of the Provident Fund Act, 1952, and half a month's basic wages for each completed year of service thereafter.</p>  |  |
| <p>(b) After fifteen years' continuous service in the company.— On the same scale as in (1).</p>   |  |
| <p>4. Basic wages for the purpose of this scheme shall be the average of the basic wage payable to a worker during the twelve months next preceding death, disability, retirement, resignation or termination of service.</p>  |  |
| <p>5. For the purposes of reckoning continuous service, breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service. Subject to this condition, service for the purpose of gratuity shall include service in the previous management whether in the particular mill or other mill under the same management.</p> |  |
| <p>6. Gratuity will not be payable to an employee who is dismissed for misconduct. The award shall come into force from 16th September 1957.”</p>  |  |

**G**

6 Glue Products Pvt. Ltd., Cambay Settlement (No. 158 of 1960),  
and dated 10th September 1960.

Workmen employed under it.

*Terms of Settlement*

All workmen or their legal representatives shall be paid gratuity at the rate of 15 days' consolidated wages per year of service in case of death, disability and termination of service.

In case of voluntary resignation, a workman shall be entitled to gratuity provided he has completed a period of five years of service. The maximum amount of gratuity shall not exceed in any case more than 15 months' wages.

Gratuity shall not be paid in addition to the retrenchment compensation payable under the provisions of the Industrial Disputes Act, 1947.

Either gratuity as above or retrenchment compensation whichever is higher shall be paid.

**M**

7 Maize Products Ltd., Kathwada Reference (IT) No. 6 of 1954,  
and *Bombay Government Gazette*,  
Part I-L, dated 16th June 1955,  
page 1738.

Workmen employed under it.

*\*Direction given by the Tribunal*

- |  |   |
|--|---|
| <p>1. On the death of an employee while in the service of the Co. or on his physical or mental disability to continue his service further.</p> <p>2. On voluntary retirement or resignation of an employee after 15 years of continuous service.</p> | <p>1. Half a month's salary or wages for each completed year of service to be paid to the disabled employee or if he has died to his heirs or legal representatives, or assignees.</p> <p>2. Half a month's salary or wages for each completed year of service.</p> |
|--|---|

3. The following conditions shall govern the grant of gratuity :—

(a) Salary or wages for the purpose of gratuity shall be the basic salary or wages payable at the time of retirement, death or permanent disability.

(b) The benefit shall be one either under this scheme or under the Industrial Disputes Act, 1947.

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\*The above scheme of gratuity has been wholly deleted from the Award by the Order of the Labour Appellate Tribunal of India, Bombay, published in *BGG*, Part I-L, dated 28th June 1956, page 2290.



## N

- 8 New Bharat Glue Mfg. Co., Ahme- Settlement (No. 31 of 1961), dated  
dabad 29th May 1961.

and

Workmen employed under it.

*Terms of Settlement*

- |  |   |
|--|---|
| <p>1. On the death of an employee while in the service of the Co., or on his becoming physically or mentally incapacitated for further service.</p>                      | <p>1. He shall be paid 15 days' basic wages as gratuity for each completed year of service. If the employee has died the amount of gratuity as above will be paid to his legal heirs or legal nominees.</p> |
| <p>2. On voluntary retirement or resignation of an employee after 10 years' completed service.</p>   | <p>1. He shall be paid 15 days' basic wages as gratuity for each completed year of service.</p>   |
| <p>3. For the purpose of calculating gratuity, basic wages drawn by the employee concerned in the month next previous to the date of retirement shall be considered.</p> |   |

## P

- 9 Petlad Turkey Red-Dye Works Co. Reference ( IT ) No. 239 of 1959,  
Ltd., Petlad Gujarat Government Gazette,  
Part I-L, dated 17th August  
1961, pages 1857-58.

and

Workmen employed under it.

*Direction given by the Tribunal*

- |  |   |
|--|---|
| <p>1. On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated for further service.</p> | <p>2. One month's basic wages for each completed year of service for the period before the P. F. Scheme was introduced for the workmen, and half a month's basic wages for each completed year of service thereafter, subject to a maximum of 15 months' wages to be paid to him or to his heirs, executors or nominees as the case may be.</p> |
| <p>2. On voluntary retirement or resignation after 15 years of continuous service in the Co.</p>   | <p>2. On the same scale as in (1).</p>  |
| <p>3. On termination of service by the Co.</p>   |   |
| <p>(a) After 10 years' continuous service but less than 15 years' service in the Co.</p>   | <p>(a) 3/4th of a month's basic wages for each completed year of service, before the provident fund scheme was introduced for the workmen of this Co. and half a month's basic wages for each year of service thereafter.</p>   |
| <p>(b) After 15 years' service in the Co.</p>  | <p>(b) On the same scale as in (1) above.</p>   |

4. The basic wages for the purpose of this scheme shall be the average of the basic wage payable to the workmen during the 12 months immediately preceding death, disability, retirement, resignation or termination of service.

5. For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned.

6. Gratuity at the rates mentioned above shall be payable to an employee who is dismissed for misconduct provided that if an employee is dismissed for misconduct resulting in loss to the company, the amount of such loss shall be deducted from the amount payable as gratuity to him.

### S

- 10 The Shaw Wallace and Co. Ltd., Award in Reference (IT) No. 231  
Glue Factory, Cambay of 1958, dated 10th September  
and 1958 ( Unpublished. )  
The workmen employed under it.

### *Direction given by the Tribunal*

Gratuity.—All workmen or their legal representatives shall be paid gratuity at the rate of 15 days' consolidated wages for each year of service in case of death, disability and termination of service. In case of voluntary resignation, a workman shall be entitled to gratuity provided he has completed a period of five years of service. The maximum amount of gratuity shall not exceed in any case more than fifteen months' wages.

Gratuity shall not be paid in addition to the retrenchment compensation payable under the provisions of the Industrial Disputes Act, 1947.

Either gratuity as above or retrenchment compensation whichever is higher shall be paid to the employee.

- 11 Suhrid Geigy Pvt. Ltd., Baroda Conciliation Case No. I. D. 277 of  
*versus* 1961. Settlement, dated 6th  
Chemical Mazdoor Sabha, Baroda. December 1961.

### *Terms of Settlement*

All workmen employed in categories i to vi ( Unskilled, Semi-skilled "A", Semi-skilled "B", Skilled "A", Skilled "B", and Skilled "C" ) will be paid gratuity in accordance with the following scheme:—

(i) In case of death of a workman while in the service of the company or on his becoming physically or mentally incapacitated for further service :—

(a) Subject to proviso (i) (b) at the rate of one month's basic wages ( exclusive of D. A. and other allowances ) for each completed year of service prior to 1957 when the Scheme of Provident Fund voluntarily

introduced by the Company became applicable and at the rate of half a month's basic wages ( exclusive of D. A. and other allowances ) for each completed year of service thereafter subject to the condition that in no case the amount payable as gratuity shall exceed the amount equal to 15 months' basic wages to be paid to the workman or to his heirs, executors or nominees as the case may be.

(b) In the case of workmen who were getting the benefit of Provident Fund Scheme voluntarily introduced by Sarabhai Chemicals, Baroda and who continued to get such benefit in Suhrid Geigy Limited, Baroda, they will get gratuity at the rate of one month's basic wages ( exclusive of D. A. and other allowances ) for each completed year of service prior to 1955 when the scheme of Provident Fund voluntarily introduced by Sarabhai Chemicals, Baroda, became applicable and at the rate of half a month's basic wages ( exclusive of D. A. and other allowances ) for each completed year of service thereafter.

(ii) On voluntary retirement or resignation of a workman ;

(a) Without completing 15 years' continuous service—

No gratuity shall be payable.

(b) After completing 15 years' continuous service in the Company—

On the same scale as mentioned in (i) above.

(iii) On termination of service by the Company :

(a) After completing 10 years' continuous service but less than 15 years' continuous service—

Subject to proviso (i) (b)  $\frac{3}{4}$ th of a month's basic wages for each completed year of service prior to 1957 when the Scheme of Provident Fund voluntarily introduced by the Company became applicable and at the rate of half a month's basic wages for each completed year of service thereafter.

(b) After completing 15 years' continuous service in the Company.

On the same scale as mentioned in (i) (a) or (i) (b) as is applicable.

(iv) It has been agreed that the age for compulsory superannuation of workmen will be 58.

(v) Wages for purposes of this scheme shall be the average of the basic wages (exclusive of dearness and other allowances) payable to workmen during the 12 months immediately preceding the date of death, disability, retirement, resignation or termination of the service as the case may be.

(vi) For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned; but the period or periods of such breaks shall not be included in calculating the number of years of continuous service. Subject to this condition services for the purpose of gratuity shall also include services with any of the associate companies of Messrs. Suhrid Geigy Limited, Baroda, provided the workman concerned has not been paid any gratuity in respect of his service with such associate company.

(vii) Gratuity shall not be payable to a workman who is dismissed from services for misconduct or dishonesty.

All workmen employed in the categories vii, viii, ix and x [Clerical (i. e. Clerks and Typists), Technical Supervisors and Senior Clerks, Stenographers, and Chemists i. e. single graduates] shall be paid gratuity in accordance with the following scheme :—

1. In case of death while in the service of the Company or in the case of mental or physical disability rendering a workman incapable of any further service:—

(1) One month's basic salary exclusive of D.A. and other allowances for each completed year of service will be paid to the workman or his heirs, executors, or nominees as the case may be subject to the condition that in no case the amount payable by way of gratuity shall exceed the amount equal to 15 months' basic salary or Rs. 4,500 whichever is lower.

2. In case of a workman who voluntarily retires or resigns from the services of the Company:—

(a) without completing 15 years' continuous service—

No gratuity will be payable.

(b) after completing 15 years' continuous service—

At the rate of one month's basic salary for each completed year of service.

Provided however that, in no case, gratuity payable under this sub-clause will exceed Rs. 4,500.

3. In case of termination of service by the Company :—

(a) In case of workman whose services have been terminated after completing 10 years' service, but before completing 15 years' service—

Gratuity will be paid at the rate of 75 per cent. of the monthly basic salary for each completed year of service subject to a maximum of 15 months' basic salary or Rs. 4,500 whichever is lower.

(b) After completing 15 years' continuous service—

Gratuity will be paid at the rate of one month's basic salary for each completed year of service subject to a maximum of 15 months' basic salary or Rs. 4,500 whichever is lower.

4. It has been agreed that the age for compulsory superannuation of all workmen included in categories vii to x will be 58.

5. Gratuity shall not be payable to a workman who is dismissed from service for misconduct or dishonesty.

6. For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned; but the period or periods of such break shall not be included in calculating the number of years of continuous service. Subject to this condition, services for the purpose of gratuity shall also include services with any of the associate companies of Suhrid Geigy Limited, Baroda, provided the workman concerned has not been paid gratuity in respect of his service with such associate company.

7. For the purposes of this scheme, basic salary exclusive of D. A. ( and other allowances ) payable to the workman concerned on the date of the death, retirement, disability, resignation or termination of service will be considered as his basic salary.

### T

12 Tata Chemicals, Mithapur                      Settlement, dated 18th November  
and    1957.  
Workmen employed under it.

### *Terms of Settlement*

1. The company agrees to amend its current Gratuity Rules in respect of the amount of gratuity payable to its employees.

2. For every completed year of service of an employee prior to the introduction of the company's Provident Fund Scheme on 1st July 1948, the company would grant a gratuity of one month's salary for every completed year of service.

3. From the period of 1st July 1948 to 30th June 1954, when the company's Provident Fund Scheme was in operation on a voluntary basis, the company agreed to pay gratuity at the rate of 3/4th of a month's basic salary for every completed year of service to those employees who did not join the Provident Fund Scheme. This will apply for only that period when an employee was not member of the fund.

4. From 1st July 1954, when the company's Provident Fund Scheme was made compulsory, the gratuity payable would be as mentioned in the Gratuity Rules, i.e. half month's salary for each completed year of service.

5. For all employees who joined the Provident Fund Scheme from 1st July 1948, the basis of gratuity would continue to be half a month's basic salary for each completed year of service.

6. The maximum gratuity payable would not, in any case, exceed the total of 15 months' salary.

### Industry : Oil

Sr. No.	Name of the concern	Reference
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### G

1	Gujarat Oil Mills and Manufacturing Co. Ltd., Ahmedabad and Workmen employed under it.	Reference (IT) No. 28 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 27th September 1956, page 3525.
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*Direction given by the Tribunal*

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|--|---|
| 1. On the death of an employee while in the service of the Co. or on his physical or mental disability to continue further in service. | 1. Half a month's basic salary or wages for each year of continuous service to be paid to the disabled employee or to the heirs, administrators or the legal representatives or assignees of the deceased employee. |
| 2. On retirement or resignation of an employee after 15 years' continuous service.   | 2. Half a month's basic salary or wages for each completed year of service.   |
| 3. On termination of service by the Co. after completion of 10 years of continuous service with the Co.                                | 3. Half a month's basic salary or wages for each completed year of service but not exceeding $7\frac{1}{2}$ months' basic salary or wages.  |

4. Gratuity shall not be payable to any employee who is dismissed for misconduct. Salary or wages for the purpose of calculating gratuity shall be the average salary or wages exclusive of D. A., during the 12 months next previous to the event entitling the workmen to payment of gratuity. The Co. in its discretion will be at liberty to grant gratuity in excess of the above scheme of gratuity and all the past continuous service of the workmen with the Co., shall be taken into account in computing the period of service.

**K**

- 2 Kaira District Co-operative Milk Producers' Union, Anand and Settlement (No. 55 of 1957), dated 18th November 1957.

The workmen employed under it.

*Terms of Settlement*

- |   |   |
|---|---|
| 1. The worker who has completed five years service with the Union.                            | 1. At the rate of 1 month's basic wages for each completed year of service within one month from the date of cessation of employment. |
| 2. For workers who have completed two years of service but not more than five years' service. | 2. Will be paid at the rate of one half month's basic wages per year of completed service.  |
| 3. Workers who have completed less than two years of service.                                 | 3. Will not be entitled to any gratuity.  |
4. For the calculation the average basic wage of six months prior to leaving the service will be taken as the basic wage. The maximum gratuity payable would be fifteen months' basic wages.

## N

3 Nadiad Oil Mill, Nadiad  
and

Settlement ( No. 40 of 1957 ),  
dated 4th May 1957.

The workmen employed under it.

*Terms of Settlement*

. Every workman or his legal representative as the case may be, shall be paid gratuity at the rate of 15 days' wages per year of service in the case of death, disability and termination of service. In the case of voluntary resignation, a workman shall be entitled to the same provided he has completed a period of 10 years' service.

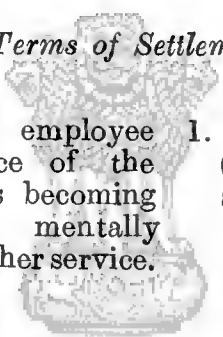
The maximum amount of gratuity shall not exceed in any case more than fifteen months' wages. In case of dismissal for criminal offence involving moral turpitude and for dismissal for damage to the extent of financial loss by his gross negligence, the workman shall not get gratuity.

4 Navsari Oil Products, Navsari  
and

Settlement (No. 100 of 1960 ),  
dated 13th October 1960.

The workmen employed under it.

*Terms of Settlement*

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- |  |  |
|--|--|
| <p>1. On the death of an employee while in the service of the factory or on his becoming physically or mentally incapacitated for further service.</p> <p>2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the Co.</p> <p>3. On termination of service after 5 years of service.</p> | <p>1. 15 days' basic wages for each ( completed ) year of service subject to a maximum of 7½ months' basic wages to be paid to him or his heirs or executors or nominees as the case may be.</p> <p>2. On the same scale as in para (1) above.</p> <p>3. Gratuity shall be paid at the rate of 15 days' wages for each year of service. This will be in addition to retrenchment compensation payable under the Industrial Disputes Act, 1947.</p> |
|--|--|

4. For the purpose of reckoning continuous service, breaks in service period not exceeding 6 months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

5. Gratuity will not be payable to an employee who is dismissed for gross misconduct resulting in financial loss and in that event, he will not be paid gratuity to the extent of financial loss only.

6. Amount of gratuity under this settlement shall be calculated on the basis of the average total basic wages drawn by the workman concerned during the twelve months prior to his death, disability, retrenchment, resignation or the termination of service as the case may be.

7. This scheme of gratuity shall be in force from 1st August 1960.

### P

5 Polson Model Dairy, Anand Settlement (No. 182 of 1954),  
and dated 20th November, 1954.  
The workmen employed under it.

### *Terms of Settlement*

- |  |   |
|--|---|
| 1. On the death of an employee while in the service of the company or on his physical or mental disability to continue further in service. | 1. One month's salary or wages for each year of service, subject to a maximum of 15 months' wages to be paid to his heirs or assigns or to the disabled employee, as the case may be. |
| 2. On voluntary retirement or resignation of an employee.  | 2. After 15 years' continuous service, 15 months' salary or wages should be given as gratuity.  |
| 3. On termination of service by the Company :  |   |
| (a) On completion of 10 years and over.  | (a) One month's salary or wages for each completed year of service, but not more than 15 months' salary or wages.   |
| (b) On completion of 8 years but less than 10 years.   | (b) 1 month's salary or wages for each completed year of service but not more than 9 months' salary or wages.   |
| (c) On completion of 5 years but less than 8 years.  | (c) 1 month's salary or wages for each completed year of service, but not more than 6 months' salary or wages.  |
| (d) On completion of 3 years but less than 5 years.  | (d) 1 month's salary or wages for each completed year of service, but not more than 3 months' salary or wages.  |
| (e) On completion of 2 years but less than 3 years.  | (e) 1 month's salary or wages for each completed year of service, but not more than 2 months' salary or wages.  |

4. Gratuity shall not be payable to any employee who is dismissed for gross misconduct.



5. Salary or wages for the purpose of calculating gratuity shall be the average salary or wages, exclusive of allowance, during the 12 months next previous to death, disability, retirement, resignation or termination, as the case may be.

### S

6 Shri Swadeshi Rice, Pulse and Oil Mills, Ahmedabad Settlement ( No. 108 of 1956 ), dated 5th September, 1956.

*versus*

The workmen employed under it.

#### *Terms of Settlement*

1. On the death, disability or termination of service every workman shall be paid gratuity at the rate of 15 days' wages per year of service.

2. In case of voluntary resignation a workman shall be entitled to the same provided he has completed a period of  $7\frac{1}{2}$  years' service.

3. The maximum amount of gratuity shall not exceed in any case more than 15 months' wages.

4. In case of dismissal for criminal offence involving moral turpitude and for dismissal for damage to the extent of financial loss by his gross negligence the workmen shall not get gratuity.

5. Whenever any workman is entitled to receive retrenchment compensation under the provisions of the Industrial Disputes ( Amendment ) Act, 1953, he will not be entitled to both, but to whichever is more beneficial to him.

### Industry : Paper

Sr.  
No.

Name of the concern

Reference

### A

1 Arvind Board and Paper Products Ltd., Bilimora Settlement (No. 107 of 1960), dated 11th August 1961.

and

The workmen employed under it.

#### *Terms of Settlement*

1. On the death of any employee while in the service of the Mill Company or on his becoming permanently physically or mentally incapacitated for further service.

1. One month's basic wages for each completed year of service for the period before the coming into force of the Provident Fund Act, 1952 and half a month's basic wages for each completed year of service thereafter subject to a maximum of 15 months' basic wages to be paid to him or his heirs or executors or nominees as the case may be.

2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the company.
2. On the same scale as in (1).
3. On termination of service by the Co.—
  - (a) After 10 years' continuous service but less than 15 years of service.
  - (a) Three-fourths of a month's basic wages for each completed year of service before coming into force of the Provident Fund Act, 1952 and half a month's basic wages for each completed year of service thereafter.
  - (b) After 15 years' continuous service.
  - (b) on the same scale as in (1).

4. Basic wages for the purpose of this scheme shall be the average of the basic wages payable to an employee, during the twelve months preceeding death, disability, retirement, resignation or termination of service.

5. For the purpose of reckoning continuous service breaks in service not exceeding four months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

6. Gratuity will not be payable to an employee who is dismissed for misconduct.

#### G.

2 Gujarat Paper Mills, Barejadi  
and  
The workmen employed under it.

Ref. (IT) No. 174 of 1959, *Gujarat Government Gazette*, Part I-L, dated 30th November, 1961, Page 2829.

#### *Direction given by the Tribunal*

1. On the death of an employee while in the service of the company or on his becoming physically or mentally incapacitated for further service.
1.  $\frac{3}{4}$ rd of the basic salary or wages for each year of continuous service before the date of introduction of the Provident Fund Scheme and  $\frac{1}{2}$  of the basic salary or wages for each year of continuous service after the Scheme of Provident Fund was introduced shall be paid to the disabled employee or if he has died to his heirs or legal representatives or assigns. The maximum gratuity payable to the employee shall be 10 months' basic salary or wages.

- |   |                                |
|---|--------------------------------|
| 2. On voluntary retirement or resignation after 15 years' continuous service. | 2. At the same rate as in (1). |
| 3. On termination of the service by the company.                              | 3. At the same rate as in (1). |

The following conditions shall govern the grant of gratuity :—

(a) Gratuity shall also be payable to a workman dismissed for misconduct, provided that from the amount payable as gratuity by the company the amount of loss suffered by the company on account of the misconduct of the employee shall be deducted.

(b) Salary or wages for the purpose of gratuity shall be the last salary or wages exclusive of D. A., bonus or other allowances, drawn at the date of death, disability, retirement, resignation or termination as the case may be.

### Industry : Local Authority

Sr No.	Name of the concern	Reference
<b>A</b>		
1	The Ahmedabad Municipal Corporation, Ahmedabad	Award in Ref. (IT) No. 63 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 26th February 1953, P. 433.
	<i>versus</i>	
	The Workmen employed under it. (Clerks, Peons and Technical Staff).	
	<i>Direction given by the Tribunal</i>	
1.	On the death or physical or mental disability of an employee, while in the service of the Municipal Corporation.	1. One month's salary for each completed year of service subject to a maximum of 15 months' salary to be paid to the employee or to his heirs, executors, assignees or nominees.
2.	On voluntary retirement or resignation of an employee after 15 years' continuous service.	2. 15 months' salary.
3.	On termination of an employee's service by the Municipal Corporation.	
	(a) After completion of service of five years but less than 10 years.	(a) $\frac{1}{2}$ month's salary for each completed year of service.
	(b) After completion of 10 years' service but less than 15 years.	(b) $\frac{3}{4}$ th of a months' salary for each completed year of service.
	(c) After completion of 15 years' continuous service.	(c) 15 months' salary.

*Note.*— While computing the amount payable, the compassionate gratuity, if any, paid under Rule 298 of the Ahmedabad Municipal Code, Volume I, Part I, 1948, may be taken into account.

No gratuity will be payable to an employee who is dismissed for misconduct or for any offence or an act of dishonesty, or for causing loss to the Municipal property.

Salary is to be computed on the basis of twelve months immediately preceding death, disability, retirement, resignation or termination exclusive of D. A. and other allowances.

- 2 Ahmedabad Municipal Corporation, Ref. LAT in Appeal (Bom.)  
Ahmedabad No. 65 of 1953, and 66 of 1953  
and (against Award of IT, dated  
23rd January 1953, Ref. (IT)  
No. 63 of 1952). *Bombay Govern-  
ment Gazette*, Part I-L, dated  
13th May 1954. P. 1155.  
The Workmen (Clerks Peons and  
Technical Staff) and the workmen  
represented by the Ahmedabad  
Municipal Servants Association.

*Direction given by the Labour Appellate Tribunal*

The Award of the I. T. is modified as under :—

1. The words “one month’s salary for each completed year of service” in clause (1) shall be substituted by the words “half a month’s salary for each completed year of service”.

2. The word “may” in clause (1) Part II shall be substituted by the word “shall”.

3. Item (a) in clause (3) shall be omitted.

**B**

- 3 Balasinor Municipality, Balasinor Ref. (IT) No. 150 of 1953, *Bom-  
bay Government Gazette*, Part I-L,  
*versus* dated 27th May 1954, P. 1323.

The Workmen employed under it.

*Direction given by the Tribunal*

All Safai Kamdars who are confirmed in the service of the Municipality and become its permanent employees, shall be entitled to the benefit of Municipality’s scheme of gratuity.

- 4 Broach Borough Municipality, LAT in Appeal (Bom.) No. 183 of  
Broach 1956, (against the Award of  
the I. T., dated 30th April 1956,  
*versus* Ref. (IT) No. 86 of 1954).  
*Bombay Government Gazette*,  
Part I-L, dated 4th October  
1956, P. 3698.  
The Workmen employed under it.

*Direction given by the Tribunal*

The Municipality is bound to pay the double benefits of (a) Pension or Gratuity and (b) Provident Fund to all the employees who had joined the municipality on or before 23rd July 1938. Those who joined after 23rd July 1938 are entitled only to the single benefit of Provident Fund. The award will be thus slightly modified.

**D**

- 5 Dhrangadhra Municipality, Dhrangadhra      Award (IT) No. 24 of 1959, dated 29th July 1959. (Unpublished).  
*versus*

The Workmen employed under it.

*Direction given by the Tribunal*

1. The employees who have been compulsorily retired due to old age or bodily or mental infirmity or who have been discharged from service without any fault on their part.
1. Gratuity shall be paid at the rate of 15 days' basic wages for each year of service.
2. Gratuity shall also be paid to the legal representative of those employees who had died while in the service.
2. At the rate of Item No. (1).
3. On voluntary retirement or who have resigned, only if they have put in not less than 15 years of service on the date of retirement or resignation.
3. At the same scale as in Item No. (1).
4. Gratuity shall be payable to permanent workers and the basic pay shall be the average basic pay for the last 12 months before the date of retirement, resignation or death.
5. Gratuity payable to any employee shall not exceed 15 months' basic wages.
6. The Municipality shall introduce this scheme of gratuity with effect from 1st April 1959.

**L**

- 6 Lunawada Municipality, Lunawada      Ref (IT) No. 39 of 1953, *Bombay Government Gazette*, Part I-L, dated 16th July 1953, P. 1600.  
*versus*  
 The Workmen employed under it  
 ( Safai Kamdars Only ).

*Direction given by the Tribunal*

Safai Kamdars shall get the benefit of the gratuity which is proposed to be granted by the municipality to its other employees.

**P**

7 Patan Municipality  
and

Award in Ref. (IT) No. 239 of 1957,  
dated 4th March 1958.  
( Unpublished ).

Workmen employed under it.

*Direction given by the Tribunal*

1. On death, disability or old age while in employment of Municipality or on termination of service which may be due to retirement or resignation after 2 years' continuous service with municipality an employee should be paid one month's salary for each year of service.

2. The salary or wages for the purpose of gratuity shall be the salary or wages including D. A.

**S**

8 Sanand Municipality  
*versus*

Award in Ref. (IT). No. 148 of  
1952, *Bombay Government  
Gazette*, Part I-L, dated 23rd  
April 1953, page 934.

The workmen employed under it.  
( Safai Workers-Male and Female)

*Direction given by the Tribunal*

The safai kamdars, both males and females shall be entitled to the benefit of gratuity at the rate provided for in the existing Sanand Municipality Service Rules with effect from 1st April, 1953. It is further agreed between the parties that for the purpose of computing period of service for determining the amount of gratuity payable to a Safai Kamdar, all his or her past services as temporary or part-time employee with the municipality except the first year of service shall be taken into account.

9 Sidhpur Municipality  
and

Settlement (No. 18 of 1957), dated  
12th February 1957.

All the workmen employed under it

*Terms of Settlement*

The Municipality shall introduce the scheme of gratuity on the scale laid down as under and the workmen shall be paid gratuity accordingly:

- |  |   |
|--|---|
| <p>1. On death of an employee (Workman) while in the service of the Municipality.</p> <p>2. On termination of service by the Municipality.</p> | <p>1. 15 days' salary for each year of service subject to a maximum of 15 months' salary to be paid to his or her heirs, executors or nominees.</p> <p>2. 15 days' salary for each year of service.</p> |
|--|---|

3. On voluntary retirement or resignation of an employee after 10 or more years of service in the municipality. 3. 15 days' salary for each year of service.

4. No Gratuity shall be paid by the municipality to a workman dismissed for misconduct from the service of the municipality.

5. Workman for the purpose of gratuity shall mean permanent workman of the municipality.

*Note:*—Salary for the purpose of calculating gratuity shall mean basic salary ( exclusive of allowance ) of a workman on the date the workman ceased to be in the employment of the municipality.

### W

10. Wankaner Municipality, Wankaner *versus* Award No. 63 of 1959, dated 5th December, 1959. ( Unpublished ).  
The workmen employed under it

#### *Direction given by the Tribunal*

1. Gratuity shall be paid on retirement from service on any ground at the rate of 15 days' basic pay per every year of service, maximum amount not to exceed 16 months' salary. The gratuity shall be calculated on the basis of the pay drawn in the month preceding the date on which the employee retires or has died.

2. Gratuity shall be paid in case of death of the employee while in the service to his legal representatives.

3. Gratuity shall be payable in case of voluntary retirement only after 15 years of service.

### Industry : Hospital

Sr. No.	Name of the Concern	Reference
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### V

- 1 Vadilal Sarabhai General Hospital and Chinai Maternity Home, Ahmedabad and Conciliation Case No. I.D.No. 160-1955, Settlement, dated 17th January 1956.

The workmen employed under it.

#### *Terms of Settlement*

- |   |  |
|---|--|
| 1. On the death, or physical or mental disability of an employee while in service.                | 1. Half a month's salary for each completed year of service subject to a maximum of fifteen months' salary to be paid to the employee or to his heirs, executors, assignees or nominees. |
| 2. On voluntary retirement or resignation of an employee after fifteen years' continuous service. | 2. Fifteen months' salary.   |

3. On termination of an employee's service by the Municipal Corporation —

(a) After completion of service of ten years but less than fifteen years. (a)  $\frac{3}{4}$  of a months' salary for each completed year of service.

(b) After completion of fifteen years continuous service. (b) Fifteen month's salary.

4. No gratuity will be payable to an employee who is dismissed for any offence or for an act of dishonesty or for causing loss to the Municipal property.

5. Salary for payment of gratuity shall be computed on the basis of twelve months immediately preceding death, disability, retirement, resignation or termination exclusive of dearness and other allowances.

2 Victoria Jubilee Hospital, Ahmedabad and Conciliation Case No. ID 120/56. Settlement, dated 3rd October, 1956.  
The workmen employed under it

#### *Terms of Settlement*

All persons shall be paid gratuity as under :—

1. On the death or physical or mental disability of an employee while in service of the Hospital. 1. One month's salary for each completed year of service, subject to a maximum of fifteen month's salary to be paid to the employee or to his heirs, executors, assignees or nominees.
2. On voluntary retirement or resignation of an employee after fifteen years' continuous service. 2. Fifteen months' salary.

3. On termination of service :—

(a) After completion of service of 10 years but less than fifteen years. (a)  $\frac{3}{4}$  month's salary for each completed year of service.

(b) After completion of service of 5 years but less than 10 years. (b)  $\frac{1}{2}$  month's salary for each completed year of service.

(c) After completion of fifteen years continuous service. (c) Fifteen months' salary.

4. No gratuity will be payable to an employee who is dismissed for an act of dishonesty and causing loss to the Hospital property.

5. Salary for payment of gratuity shall be calculated on the basis of twelve months immediately preceding death, disability, retirement, resignation or termination exclusive of dearness allowance.



**Industry : Leather and Tanneries**

Sr. No.	Name of the concern	Reference
	<b>A</b>	
1	Ahmedabad Pickers Works, Ahmedabad and The workmen employed under it.	Settlement (No. 61 of 1959), dated 24th August 1959.

*Terms of Settlement*

1. On the death of an employee while in service of the company or his becoming physically or mentally incapacitated for further service.
2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the Co.
3. On termination of service by the Co. after 10 years of continuous service.
4. The maximum amount of gratuity under this scheme to an employee shall not exceed 7½ months' wages.
5. No employee shall be entitled to both gratuity as well as retrenchment compensation if payable, but he shall be entitled to have whatever amount is more.
6. Gratuity will not be payable to an employee who is dismissed for misconduct.
7. For the purpose of reckoning continuous service breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

1. 13 days' wages for each completed year of service to be paid to him or executors or nominees as the case may be.
  2. On the same scale as in (1)
  3. On the same scale as in (1).
- 2 Allied Textile Leather Industries, Settlement (No. 142 of 1961),  
Ahmedabad dated 21st September 1961.  
and  
The workmen employed under it.

*Terms of Settlement*

1. On death of an employee, while in the service of the company or his becoming mentally or physically incapacitated for further service.
2. On Voluntary retirement or resignation of an employee after 10 years continuous service in the Co.
3. On termination of service by the company after 5 years continuous service.
1. 13 days' wages for each completed year of service to be paid to him or executors or nominees as the case may be.
2. On the same scale as above.
3. On the same scale as above.

4. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.

5. The maximum amount of Gratuity under this scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.

6. Gratuity will not be payable to an employee, who is dismissed for his misconduct.

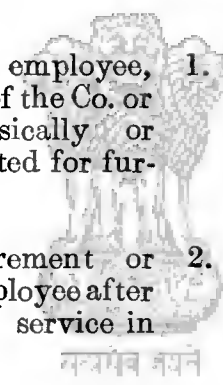
7. For the purpose of reckoning continuous service breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating continuous service.

### B

3 Bharat Leather Company, Ahmedabad Settlement (No. 59 of 1958), dated 5th September 1958.  
and

The workmen employed under it.

### *Terms of Settlement*

- 
- |   |  |
|---|--|
| 1. On the death of an employee, while in the service of the Co. or his becoming physically or mentally incapacitated for further service. | 1. 13 days' wages for each completed year of service to be paid to him or executors or nominees, as the case may be. |
| 2. On voluntary retirement or resignation of an employee after 7 years' continuous service in the company.                                | 2. On the same scale as in (1).  |
| 3. On termination of service by the company, after 5 years' continuous service.   | 3. On the same scale as in (1).  |

4. The maximum amount of gratuity under this scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.

5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.

6. Gratuity shall not be payable to an employee who is dismissed for misconduct.

7. For the purpose of reckoning continuous service, breaks in service not exceeding 6 months shall be condoned but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

## C

- 4 Chandbhai Brothers and Co., Ahmedabad Settlement, dated 26th August 1958.  
*versus* (Case No. 148 of 1958).  
 The workmen employed under it.

*Terms of Settlement*

1. On the death of an employee while in service of the Company or his becoming physically or mentally incapacitated for further service. 13 days' wages for each completed year of service to be paid to him or executors or nominees as the case may be.
2. On voluntary retirement or resignation of an employee after 7 years' continuous service in the Company. On the same scale as (1) above.
3. On termination of service by the Company after 5 years' continuous service. On the same scale as (1) above.
4. The maximum amount of gratuity under the Scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.
5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.
6. Gratuity will not be payable to an employee who is dismissed for misconduct.
7. For the purposes of reckoning continuous service breaks in service not exceeding six months shall be condoned but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

## G

- 4 Graduate Pickers Works, Ahmedabad Settlement (No. 25 of 1959), dated 30th March 1959.  
 and

The workmen employed under it.

*Terms of Settlement*

1. On the death of an employee, while in the service of the Co. or his becoming physically or mentally incapacitated for further service. 1. 12 days' wages for each completed year of service to be paid to him or executors or nominees, as the case may be.
2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the company. 2. On the same scale as in (1).
3. On termination of service by the Co. after 10 years' continuous service. 3. On the same scale as in (1).

4. The maximum amount of gratuity under this scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.

5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.

6. Gratuity will not be payable to an employee who is dismissed for mis conduct.

7. For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

## H

5 Hide and Leather Private Ltd., Settlement (No. 85 of 1961),  
Palanpur dated 11th October 1961.

*versus*

The workmen employed under it.

### *Terms of Settlement*

- |   |  |
|---|--|
| <p>1. On the death of an employee, while in the service of the Co. or on his becoming physically or mentally incapacitated for further service duly certified by a Civil Surgeon.</p> | <p>1. 15 days' wages for each completed year of service to be paid to him or his heirs or executors or nominees, as the case may be.</p> |
| <p>2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the company.</p>  | <p>2. On the same scale as in (1).</p>   |
| <p>3. On termination of service by the company after 10 years' continuous service.</p>  | <p>3. On the same scale as in (1).</p>   |

4. The maximum amount of Gratuity under this scheme to an employee shall not exceed 10 months' wages.

5. No workman shall be entitled to both Gratuity as well as retrenchment compensation, if payable, but he shall be entitled to whatever amount is greater.

6. Gratuity shall not be payable to a workman who is dismissed for misconduct.

7. For the purpose of reckoning continuous service for calculating Gratuity, breaks in service not exceeding six months shall be condoned but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

8. The benefit under the clause 2 above (voluntary retirement) shall be granted only after the worker has attained the age of 58 years.

6 H. Mansuri & Sons, Ahmedabad

Settlement ( No. 110 of 1959 )  
dated 14th July 1959.

and

The workmen employed under it.

*Terms of Settlement*

- |   |   |
|---|---|
| <p>1. On the death of an employee while in the service of the company or his becoming physically or mentally incapacitated for further service.</p> <p>2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the company.</p> <p>3. On termination of service by the company after 10 years' continuous service.</p> <p>4. The maximum amount of gratuity under this scheme to an employee shall not exceed <math>7\frac{1}{2}</math> months' wages.</p> <p>5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.</p> <p>6. Gratuity will not be payable to an employee, who is dismissed for misconduct.</p> <p>7. For the purpose of reckoning continuous service, breaks in service, not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.</p> | <p>1. 13 days' wages per each completed year of service to be paid to him or his heirs, executors or nominees as the case may be.</p> <p>2. On the same scale as in (1).</p> <p>Do.</p> |
|---|---|

**J**

7 Jai Hind Leather Works, Kalol

Settlement (No. 6 of 1959), dated  
23rd March 1959.

and

Workmen employed under it.

*Terms of Settlement*

- |  |  |
|--|--|
| <p>1. On the death of an employee while in the service of the Co. or his becoming physically or mentally incapacitated for further service, duly certified by the Civil Surgeon, Ahmedabad.</p> <p>2. On voluntary retirement or resignation of an employee after 10 years' continuous service.</p> <p>3. On termination of service by the company after 10 years' continuous service.</p> | <p>1. 13 days' wages for each completed year of service to be paid to him or executors or nominees as the case may be.</p> <p>2. On the same scale as in (1).</p> <p>3. On the same scale as in (1).</p> |
|--|--|

4. The maximum amount of gratuity under the scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.

5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable to an employee, but he shall be entitled to have whatever amount is more.

6. Gratuity shall not be payable to an employee, who is dismissed for misconduct.

7. For the purpose of reckoning the continuous service for calculating gratuity, breaks in service not exceeding six months shall be condoned but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

8 J. Mansuri Leather Works, Ahmeda- Settlement (No. 78 of 1959), dated  
bad 14th May 1959.  
and

The workmen employed under it.

#### *Terms of Settlement*

- |  |  |
|--|--|
| 1. On the death of an employee while in the service of the Co. or his becoming physically or mentally incapacitated for further service. | 1. 13 days' wages for each completed year of service, to be paid to him, his executors or nominees as the case may be. |
| 2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the company.                              | 2. On the same scale as in (1).  |
| 3. On termination of service by the company after 10 years' continuous service.  | 3. On the same scale as in (1).  |

4. The maximum amount of gratuity under this scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.

5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.

6. Gratuity will not be payable to an employee, who is dismissed for misconduct.

7. For the purpose of reckoning continuous service, breaks in service, not exceeding six months shall be condoned but the period or periods of such breaks, shall not be included in calculating the number of years of continuous service.

#### **M**

9 M. Chisty Pickers Works, Ahmeda- Settlement (No. 63 of 1959), dated  
bad 21st September 1959.  
and

The workmen employed under it.

*Terms of Settlement*

1. On the death of an employee while in the company's service, or his becoming physically or mentally incapacitated for further service. 1. 13 days' wages for each completed year of service, to be paid to him or his executors or nominees as the case may be.
2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the Co. 2. On the same scale as in (1).
3. On termination of the service by the Co. after 10 years' continuous service. 3. On the same scale as in (1).
4. The maximum amount of gratuity under this scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.
5. No employee shall be entitled to both gratuity as well as retrenchment compensation if payable, but he shall be entitled to have whatever amount is more.
6. Gratuity will not be payable to an employee who is dismissed for misconduct.
7. For the purpose of reckoning continuous service, break in service not exceeding six months shall be condoned but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

**N**

- 10 New India Pickers Co.; Ahmedabad Settlement (No. 152 of 1958), dated 4th September 1958.  
and

The workmen employed under it.

*Terms of Settlement*

1. On the death of an employee, while in the service of the Co. or his becoming physically or mentally incapacitated for further service. 1. 13 days' wages for each completed year of service, to be paid to him, or executors or nominees as the case may be.
2. On voluntary retirement or resignation of an employee after 7 years' continuous service. 2. On the same scale as in (1).
3. On termination of service by the Co. after 5 years' continuous service. 3. On the same scale as in (1).
4. The maximum amount of gratuity under this scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.

5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.

6. Gratuity will not be payable to an employee who is dismissed for misconduct.

7. For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks, shall not be included in calculating the number of years of continuous service.

### P

11 Patel & Parmar Pickers Works, Settlement (No. 62 of 1959), dated  
Ahmedabad 7th August 1959.  
and

The workmen employed under it.

### *Terms of Settlement*

- |  |  |
|--|--|
| 1. On the death of an employee while in the service of the Co. or his becoming physically or mentally incapacitated for further service. | 1. 13 days' wages for each completed year of service, to be paid to him or his executors or nominees as the case may be. |
| 2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the Co.                                   | 2. On the same scale as in (1).  |
| 3. On termination of service by the Co. after 10 years' continuous service.  | 3. On the same scale as in (1).  |
| 4. The maximum amount of gratuity under this scheme to an employee shall not exceed 7½ months' wages.                                    |  |

5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.

6. Gratuity will not be payable to an employee, who is dismissed for misconduct.

7. For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

12 P. Tex India Pickers Works, Settlement (No. 79 of 1959), dated  
Ahmedabad 30th May 1959.  
and

The workmen employed under it.



*Terms of Settlement*

1. On the death of an employee while in the service of the Co. or his becoming physically or mentally incapacitated for further service.
2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the company.
3. On termination of the service by the company after 10 years' continuous service in the company.
4. The maximum amount of gratuity under this scheme to an employee shall not exceed  $7\frac{1}{2}$  months' wages.
5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.
6. Gratuity will not be payable to an employee, who is dismissed for misconduct.
7. For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

13 Pickers Limited, Ahmedabad Award No. (IT) No. 83 of 1958,  
dated 15th January 1959  
(Unpublished).  
*versus*

The workmen employed under it.

*Direction given by the Tribunal*

1. On the death of workman while in the service of the Co. or on his becoming physically or mentally incapacitated for further service.
2. On voluntary retirement or resignation of workman after 7 years' continuous service in the company.
3. On termination of service by the Co. after 5 years' continuous service.
2. 13 days' wages, inclusive of D. A. for each completed year of service shall be paid to him or his heirs.
2. On the same scale as in (1).
3. On the same scale as in (1).
4. The gratuity payable on the aforesaid scale shall be subject to the further following conditions :—  
(a) The maximum amount of gratuity payable under the aforesaid scheme shall not exceed  $7\frac{1}{2}$  months' wages inclusive of D. A.

(b) No workman shall be entitled to both gratuity benefits as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.

(c) No workman shall be entitled to gratuity who is dismissed for misconduct.

(d) For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

(e) Wages for the purpose of this scheme shall be the average wage inclusive of D. A. payable to a workman during the twelve months next preceding death, disability, retrenchment, resignation or termination of service. The average shall be computed by dividing the yearly wages by the number of days he actually worked.

- 14 M/s. Pyareali Gulam Husein Surani, Award (IT) No. 87 of 1960, dated  
Ahmedabad 10th April 1961 (Unpublished.)

*versus*

The workmen employed under it.

*Direction given by the Tribunal*

1. On the death of an employee while in the service of the company or on his becoming physically or mentally incapacitated for further service. 1. 13 days' wages for each completed year of service after 1st January 1957, and five day's for the service prior to 1st January 1957, to be paid to him or executors or nominees as the case may be.
2. On voluntary retirement or resignation of an employee after 10 years' continuous service in the Co. 2. On the same scale as in (1).
3. On termination of service by the Co. after 10 years' continuous service. 3. On the same scale as in (1).
4. The maximum amount of gratuity under this scheme to an employee shall not exceed 7½ months' wages.
5. No employee shall be entitled to both gratuity as well as retrenchment compensation, if payable, but he shall be entitled to have whatever amount is more.
6. No employee will be given gratuity, who is dismissed for misconduct.

**Industry : Salt**

Sr. No.	Name of the concern	Reference
<b>U</b>		
1	United Salt Works and Industries Limited, Kandla and The workmen employed under it.	Arbitration Award in AJU. No.37 of 1957, <i>Bombay Government Gazette</i> , Part I-L, dated 12th December 1957, page 5651.

*Direction given by the Tribunal*

1. On the death of an employee while in service of the Co. or on his physical or mental disability to continue any further in service.
2. On retirement or resignation of an employee after 15 years' continuous service.
3. On termination of service by the Co. after completion of 10 years' continuous service with the Co.
4. On termination of service by the Co. after completion of 5 years' continuous service, but less than 10 years' continuous service.
5. No gratuity shall be payable to any employee who is dismissed for misconduct.
6. Salary or wages for the purpose of calculating gratuity shall be the average salary exclusive of D. A. during the 12 months next previous to the event entitling the workman to the gratuity.
7. Seasonal workman will not be given this benefit.

**Industry : Glass**

Sr. No	Name of the concern	Reference
<b>A</b>		
1	Alembic Glass Industries, Baroda	Agreement, dated 14th October 1959.
	and	
	Workmen employed under it.	

The Company agreed to pay gratuity on the following terms :—

It will be given to all employees on completion of 15 years of service at the rate of  $\frac{1}{2}$  month's basic wages for each completed year of service. It will be given to an employee who retires at the age of superannuation ( 60 years ) or on account of physical or mental incapacitation for further service in the company at the same rate.

## Industry : Film

Sr. No.	Name of the concern	Reference
1	Advance Talkies, Ahmedabad	Award in Reference (IT-B) No. 12 (i) and (ii) of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 17th March 1955, page 817.
2	Ashok Talkies, Ahmedabad	
3	Central Talkies, Ahmedabad	
4	Cinema-D-France, Ahmedabad	
5	Krishna Talkies, Ahmedabad	
6	Lakshmi Talkies, Ahmedabad	
7	L. N. Talkies, Ahmedabad	
8	Light House, Ahmedabad	
9	Model Talkies, Ahmedabad	
10	Novelty Talkies, Ahmedabad	
11	Parimal Talkies, Ahmedabad	
12	Pratap Talkies, Ahmedabad	
13	Rajnagar Cinema, Ahmedabad	
14	Regal Cinema, Ahmedabad	
15	Relief Cinema, Ahmedabad	
16	Rosy Talkies, Ahmedabad	
17	Rupam Talkies, Ahmedabad	
18	Saraswati Talkies, Ahmedabad	

and

All the workmen of 18 Theatres  
employed under them.

*Direction given by the Tribunal*

1. On voluntary retirement or resignation after 15 years' continuous service. 1. 7½ months' basic salary.
2. On termination of service by the company. 2. 15 days' basic wages or salary for each year of service.
3. Employees dismissed for misconduct will not be entitled to gratuity.
4. In any case the benefit should be one either under this scheme or under the Act and not both.

The above award is modified by L. A. T. in Appeal (Bom.) Nos. 111, 112, 113, 114, 115 and 121 of 1955, as under :—

To add the following:—

- |    |   |  |
|----|---|--|
| 1  | On the death or disability of the workman.                          | 1. 15 days' basic salary for each year of service subject to a maximum of 7½ months' basic salary. |
| 19 | English Talkies, Ahmedabad<br>and<br>The workmen employed under it. | Award in Reference (IT) No.57 of 1958, dated 29th September 1958 ( Unpublished).                   |

*Direction given by the Tribunal*

1. On voluntary retirement or resignation after 15 years' service. 1. 7½ months' basic salary.
  2. On termination of service by the employer. 2. 15 days' basic salary for each year of service.
  3. On accidental death or disability of the employee. 3. 15 days' basic salary for each year of service subject to a maximum of 7½ months' basic salary.
  4. Employee dismissed for misconduct will not be entitled to gratuity.
  5. Employees shall be entitled to this benefit either under this scheme or under the Industrial Disputes Act, 1947, and not both.
- 20 Kamal Talkies, Sabarmati and  
Workmen employed under it. Settlement ( No. 38 of 1960 ),  
dated 30th March 1960.

*Terms of Settlement*

Every workman shall be entitled to gratuity for contingencies shown below at the rate of 15 days' wages per completed year of service subject to a maximum of 7½ months' wages.

1. On the death of workman while in the service of the company. 1. To be paid to his heirs, executors, assignees or nominees, as above.
2. On a workman becoming physically or mentally incapable of further service. 2. As above.
3. On termination of service of a workman by the concern after five years' continuous service in the concern. 3. As above.
4. On voluntary retirement after 15 years' continuous service in the company or on resignation after 15 years of continuous service in the concern. 4. As above.

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|--|--------------------------|
| 21 Kala Mandir, Baroda                     | Settlement No. 219/1958, |
| 22 Krishna Talkies, Baroda                 | Settlement No. 216/1958, |
| 23 Maharani Shanta Devi Talkies,<br>Baroda | Settlement No. 213/1958, |

24	Mohan Talkies, Baroda	Settlement No. 218/1958,
25	Pratap Talkies, Baroda	Settlement No. 214/1958,
26	Prince Talkies, Baroda	Settlement No. 220/1958,
27	Sadhna Talkies, Baroda	Settlement No. 217/1958,
28	Sagar Talkies, Baroda	Settlement No. 221/1958,
29	Sharda Talkies, Baroda	Settlement No. 215/1958,

*versus*

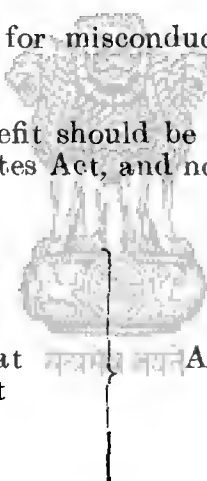
dated 30th October 1958.

The workmen employed under them.

### *Terms of Settlement*

1. On voluntary retirement or resignation after 15 years' continuous service. 1. 7½ months' basic wages.
2. On termination of service by the company. 2. 15 days' basic salary for each year of service.
3. On death or disability of the workman. 3. 15 days' basic salary for each year of service subject to a maximum of 7½ months' basic salary.
4. Employee dismissed for misconduct shall not be entitled to any gratuity.
5. In any case, the benefit should be one either under this scheme or under the Industrial Disputes Act, and not both.

- 30 Krishna Talkies, Surat
- 31 Mohan Talkies, Surat
- 32 Moti Talkies, Surat
- 33 New Laxmi Talkies, Surat
- 34 New Super Talkies, Surat
- 35 Prakash Talkies, Surat
- 36 Vasant Talkies, Surat
- 37 Victory Talkies, Surat



Agreement, dated 30th January 1960.

and

The workmen employed under them.

### *Terms of Agreement*

1. Only those employees who have completed service of five years shall be entitled to get the benefit of the Scheme of Gratuity.
2. Every employee who has completed service for the period exceeding 5 years and who has not been dismissed or discharged or punished by the employer for any misconduct and who has not voluntarily retired from service shall be paid 15 days' basic wages for every completed year of service subject to the condition that the maximum amount of gratuity shall not exceed 451 days' basic wages or pay in the whole of the period of service of an employee.

**Industry : Pharmaceuticals**

Sr. No.	Name of the concern	Reference
<b>A</b>		
	Alembic Chemical Works Co. Ltd., Baroda	Reference (IT) No. 156 of 1954, <i>Bombay Government Gazette</i> , Part-I-L, dated 24th March 1955, page 861.
	and	
	Workmen employed under it.	

*Direction given by the Tribunal*

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| <ol style="list-style-type: none"> <li>1. On the death of an employee while in service of the company or his becoming physically or mentally incapable of further service.</li> <li>2. On voluntary retirement or resignation of an employee after 15 years of continuous service.</li> <li>3. On termination of service by the company.</li> <li>4. Gratuity shall not be paid to any employee who is dismissed for misconduct or dishonesty.</li> <li>5. Salary for the purpose of calculating gratuity shall mean the substantive salary ( exclusive of allowance ) of an employee on the date the employee ceases to be in the employment of the company.</li> </ol> | <ol style="list-style-type: none"> <li>1. Half a month's salary or wages for each year of continuous service to be paid to the disabled employee or if he has died, to his heirs or legal representatives or assignees.</li> <li>2. Half a month's salary for each year of completed service.</li> <li>3. Half a month's salary or wages for each year of completed service.</li> </ol> |
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**M**

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| <ol style="list-style-type: none"> <li>2 M. M. Khambhatwala, Ahmedabad</li> <li>and</li> </ol> | <ol style="list-style-type: none"> <li>Settlement ( No. 175 of 1956 ),<br/>dated 5th December 1956.</li> </ol> |
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The workmen employed under it.

*Terms of Settlement*

Every workman shall be paid gratuity at the rate of 15 days' wages per year of service in case of death, disability and termination of service.

In case of voluntary resignation, a workman shall be entitled to the same provided he has completed 10 years' service.

The maximum amount of gratuity shall not exceed in any case 15 months' wages. In case of dismissal for criminal offence involving moral turpitude, the workman shall not be entitled to any gratuity and for dismissal for damage causing financial loss to the concern on account of his gross negligence, he shall not be entitled to gratuity to the extent of financial loss caused by him. Whenever any workman is entitled to receive retrenchment compensation under the provisions of the Industrial Disputes Act, 1947, he will not be entitled to both, but to whichever is greater.

## O

- 3 The Ojas Cosmetics and Pharmaceutical Corporation, Factory No. 2, Ahmedabad Award in (IT) No. 35 of 1957, dated 29th January 1957. ( Unpublished)

*versus*

The workmen employed under it.

*Direction given by the Tribunal*

1. This Gratuity shall cease, when the Provident Fund Scheme has to be introduced under the Employees' Provident Funds Act, 1952.

2. In case of death or disability, for every completed year of continuous service the permanent workman shall be paid a gratuity under the Scheme at the rate of 7 days' total wages subject to a maximum of 105 days' total wages.

3. In case of resignation after 15 years' continuous service or termination after 10 years' continuous service the workman shall also be paid gratuity at the above rate provided that if the workman gets retrenchment compensation he will not be eligible to any gratuity. Provided further that a worker whose services are terminated for misconduct shall not be entitled to gratuity.

4. The Wages shall be taken on the basis of average rate of wages for the last 12 months.

## P

4. Panna Perfumery Products, Bhavnagar and Ref. (IT) No. 76 of 1959, *Gujarat Government Gazette*, Part I-L, dated 8th December 1960, P. 1007.

The workmen employed under it.

*Direction given by the Tribunal*

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|--|---|
| 1. On the death of workman while in the service of the Co. or on his becoming physically or mentally incapable to continue in service further. | 1. 15 days' salary or wages for each year of service, subject to a maximum of 15 months' salary or wages to be paid to the disabled workman or if he has died to his heirs or legal representatives or assignees. |
| 2. On voluntary retirement or resignation of a workman after 15 years' service in the company.   | 2. 15 days' salary or wages for each year of continuous service in the company, subject to a maximum of 15 months' salary or wages.   |
| 3. On termination of service by the company.   | 3. 15 days' salary or wages for each year of continuous service subject to a maximum of 15 months' salary or wages.   |



4. Gratuity shall not be paid to a workman who is dismissed for misconduct.

5. Salary for the purpose of gratuity shall be the basic salary ( exclusive of all allowances ) due to the workmen for the month preceding the occurrence of the event entitling them to gratuity.

6. Service for the purpose of gratuity shall be computed from the date the workman joined the service of the Co.

7. Any break in service for less than 6 months on account of any action on the part of the company and for no fault of the workman shall be disregarded when computing the total period of service.

### S

5 Sarabhai Chemicals, Baroda

Settlement ( No. 100 of 1956 ),  
dated 8th December 1956.

and

Workmen employed under it.

### *Terms of Settlement*

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|--|--|
| <p>1. On the death of an employee while in the service of the company or his becoming physically or mentally incapable of further service.</p> | <p>1. Half a month's basic salary or basic wages for each completed year of service will be payable to the employee or if he has died to his heirs or legal representatives or assignees.</p>                  |
| <p>2. On voluntary retirement or resignation of an employee after 15 years of continuous service.</p>  | <p>2. Half a month's basic salary or wages for each year of service will be paid to the employee.</p>  |
| <p>3. On termination of the service of the employee by the company.</p>  | <p>3. Half a month's basic salary or wages for each completed year of service or retrenchment compensation under section 25F of the I. D. Act, whichever is higher will be paid to the concerned employee.</p> |

4. Gratuity shall not be paid to any employee who is dismissed for dishonesty or misconduct.

5. Basic salary or wages for the purpose of calculation of gratuity shall mean the substantive basic salary or basic wages (exclusive of all allowances including D. A. ) of an employee on the date, the employee ceases to be in the employment of the company.

6 Sarabhai Chemicals, Baroda

Settlement dated 22nd November 1961.

and

Workmen employed under it.

*Terms of Settlement*

All employees employed in categories 1 to 6 will be paid gratuity in accordance with the following scheme:—

1. In case of death of a workman while in the service of the Co. or on his becoming physically or mentally incapacitated for further service.

At the rate of one month's basic wages for each completed year of service for the period before 1st January 1955 *i. e.* for the period before coming into force of the P. F. Scheme voluntarily introduced by the company in 1955 and half a month's basic wages exclusive of D. A. and all other allowances for each completed year of service, thereafter, subject to a condition that in no case the amount payable as gratuity shall exceed the amount equal to 15 months' basic wages to be paid to the workman or to his heirs, executors or nominees as the case may be.

2. On voluntary retirement or resignation of a workman.—

(a) Without completing 15 years of continuous service no gratuity shall be payable.

(b) After completing 15 years' continuous service in the Company.

On the same scale as in (1).

3. On termination of service by the Company.

(a) After 10 years' continuous service but less than 15 years' service: 3/4th of a months' basic wages for each completed year of service before coming into force of the voluntary P. F. Scheme of Co. which was introduced in January, 1955; half a month's basic wages for each completed in year of service thereafter.

(b) After completing 15 years of service: on the same scale as mentioned in (1) above.

4. It has been agreed that the age for compulsory superannuation of workmen will be 58.

5. Wages for purposes of this scheme shall be the average of the basic wage ( exclusive of D. A. and other allowances ) payable to workmen during the 12 months immediately preceding the date of death, disability, resignation or termination of the service as the case may be.

6. For purposes of reckoning continuous service, breaks in service not exceeding six months shall be condoned, but the period of such breaks shall not be included in calculating the number of years of continuous service. Subject to this condition, service for the purpose of gratuity shall also include services with any of the associated companies of Sarabhai Chemicals, provided the workman concerned has not been paid any gratuity.

7. Gratuity shall not be payable to a workman who is dismissed from services for misconduct or dishonesty.

All employees employed in the categories 7, 8, 9 and 10 shall be paid gratuity in accordance with the following scheme:—

1. In case of death while in the service of the Co. or in the case of mental or physical disability rendering a workman incapable of any further service :

One month's basic salary exclusive of D. A. and other allowances for each completed year of service will be paid to the workman or his heirs, executors, or nominees as the case may be, subject to a condition that in no case the amount payable by way of gratuity shall exceed the amount equal to 15 months' basic salary or Rs. 4,500, whichever is lower.

2. In case of a workman who voluntarily retires or resigns from the service of the Co.—

(a) Without completing 15 years of continuous service.—No gratuity will be payable.

(b) After completing 15 years of continuous service.—At the rate of one month's basic salary for each completed year of service.

Provided however that, in no case, gratuity payable under this sub-clause will exceed Rs. 4,500.

3. In case of termination of service by the Co:—

(a) In case of a workman whose service has been terminated after completing ten years of service, but less than 15 years of service—

Gratuity will be paid at the rate of 75 per cent. of the monthly basic salary for each completed year of service or Rs. 3,375, whichever is lower.

(b) After completing 15 years of continuous service—

Gratuity will be paid at the rate of one month's basic salary for each completed year of service subject to a maximum of 15 month's basic salary or Rs. 4,500, whichever is lower.

4. It has been agreed that the age for compulsory superannuation of all workmen included in categories 7 to 10 will be 58.

5. Gratuity shall not be payable to a workman who is dismissed for misconduct or dishonesty.

6. For the purpose of reckoning continuous service, breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service. Subject to this condition, service for the purpose of gratuity shall also include service with any of the associated companies of Sarabhai Chemicals provided the workman concerned has not been paid gratuity in respect of his services with such associated company.

7. For the purpose of this scheme, basic salary exclusive of D. A. and other allowances payable to the workman concerned on the date of the death, retirement, disability, resignation or termination of service will be considered as his basic salary.

## Industry : Printing Press

Sr.  
No.

Name of the concern

Reference

## A

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|---|--|--|
| 1 | The Ajay Printery Pvt. Ltd.,<br>Ahmedabad<br><br>and<br><br>The workmen employed under it. | Award No. 43 of 1959, and 56 of<br>1959, dated 19th January 1960.<br>(Unpublished) |
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*Direction given by the Tribunal*

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|---|--|--|
| 1 | On the death of a workman while in the service of the company or on his becoming physically or mentally incapacitated for further service. | 1. 15 days' basic wages for each completed year of service subject to a maximum of 15 months' basic wages shall be paid to him or if he has died to his legal representatives or to assignees or executors or nominees as the case may be.   |
| 2 | On voluntary retirement or resignation of an employee after 15 years' continuous service.  | 2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 15 months' basic wages.  |
| 3 | On termination of service by the employer after 15 years of continuous service.  | 3. 15 days' basic wages for each completed year of service subject to a maximum of 15 months' basic wages shall be paid to the workman. But if the workman is entitled to retrenchment compensation under section 25F, he would be entitled only to retrenchment compensation under section 25-F or to gratuity under the Scheme, whichever is higher. |

4. The basic wages for the purpose of calculating gratuity will be 50 per cent. of the consolidated wages drawn by the workman, in the month immediately preceding occurrence of the event entitling him to gratuity.

5. No gratuity shall be payable to a workman whose services are terminated by the employer for a misconduct.

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| 2 | Aditya Mudranalaya, Ahmedabad<br>and<br>The workmen employed under it. | Award in Ref.(IT) No.52 of 1958,<br><i>Bombay Government Gazette</i> ,<br>part I-L, dated 25th September<br>1958, P. 4562. |
|---|--|--|

*Direction given by the Tribunal*

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|---|--|
| <p>1 On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated for further service.</p> <p>2 On voluntary retirement or resignation of an employee after 15 years' continuous service.</p> <p>3 On termination of service by the employer after 15 years' continuous service.</p> | <p>1. 10 days' consolidated wages for each year of service subject to a maximum of 10 months' consolidated wages shall be paid to the workman or, if he has died, to his legal representatives, or assignees, or executors or nominees as the case may be.</p> <p>2. 10 days' consolidated wages shall be paid to him for each completed year of service, subject to a maximum of 10 months' consolidated wages.</p> <p>3. 10 days' consolidated wages for each completed year of service subject to a maximum of 10 months' consolidated wages shall be paid to workman. But if he is entitled to retrenchment compensation under section 25F, he would be entitled to only retrenchment compensation or to gratuity under the scheme, whichever is higher.</p> |
|---|--|
4. Wages for the purpose of calculating gratuity will be the consolidated wages drawn by the employee in the month immediately preceding the occurrence of the event entitling him to gratuity.
- 3 Aditya Mudranalaya, Ahmedabad and  
Workmen employed under it.
- Award in Ref. (1T) No. 52 of 1958, *Bombay Government Gazette*, Part I-L, 17th December 1959, page 5511-12.

*Direction given by the Tribunal*

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|--|---|
| <p>1 On the death of an employee while in service of the concern or on his becoming physically or mentally incapacitated for further service.</p> <p>2 On voluntary retirement or resignation of an employee after 15 years' continuous service.</p> | <p>1. 15 days' basic wages for each completed year of service subject to a maximum of 15 months' basic wages shall be paid to a workman or if he has died to his legal representatives or assignees or executors or nominees as the case may be.</p> <p>2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 15 months' basic wages.</p> |
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3. On termination of service by the employer after 15 years' continuous service.
3. 15 days' basic wages for each completed year of service subject to a maximum of 15 months' basic wages shall be paid to a workman.

4. If a workman is entitled to retrenchment compensation under section 25F, he would be entitled only to retrenchment compensation under section 25F, or to gratuity under the scheme, whichever is higher.

5. The basic wages for the purpose of calculating gratuity will be 50 percent. of the consolidated wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

### G

- 4 Gati Prakashan Limited, Ahmedabad  
and  
Award in Ref. (IT) No. 68 of 1954, *Bombay Government Gazette*, Part I-L, 14th October 1954, P. 2809.

The workmen employed under it.

### *Direction given by the Tribunal*

1. On the death or disability of a workman.
1. 15 days' basic salary for each completed year of continuous service subject to a maximum of 7½ months' basic salary. In the event of death the gratuity shall be paid to the heirs, assignees and legal representatives of the deceased workman.
2. On the resignation or voluntary retirement after 15 years of service.
2. 7½ months' basic salary.
3. On the termination of service by the company after 10 years' continuous service.
3. 15 days' basic salary for each completed year of service subject to a maximum of 7½ months' basic salary.

All the past services of the workman with this company shall be taken into account in computing the amount of gratuity payable to him.

- 5 Geeta Dharma Press, Ahmedabad  
and  
Award in Ref. (IT) No. 124 of 1955, *Bombay Government Gazette*, part I-L, 27th September 1956, P. 3546.

The workmen employed under it.

*Direction given by the Tribunal*

In view of the fact that the concern is only of 2 years' standing, a full fledged scheme of gratuity is not pressed, but the employer agrees—

To pay gratuity at the rate of 15 days' wages for each year of service in case of the death or disability of any workman. This will be subject to a maximum of 15 months' wages. When Provident Fund is introduced by statute, the employer will have a right to re-open the question of gratuity.

**L**

6 Lok Prakashan Limited, Ahmedabad Settlement (No. 36 of 1954), dated 3rd May 1954.

and

Workmen employed under it.

*Terms of Settlement*

- 1 On the death of a workman while in the service of the Co. or on his becoming physically or mentally incapable of further service. 1. Half a month's salary or wages for each year of continuous service subject to a maximum of 7½ months' wages to be paid to the disabled workman or if he has died, to his heirs or legal representatives or assignees.
- 2 On voluntary retirement or resignation of a workman after 15 years' continuous service. 2. Half a month's salary or wages for each year of continuous service, subject to a maximum of 7½ months' wages.
- 3 On termination of service by the Co. 3. Half a month's salary or wages for each completed year of service subject to a maximum of 7½ months' wages.
4. The maximum gratuity payable under clauses (1), (2), or (3) above shall not exceed Rs. 1,000.
5. The following conditions shall govern the grant of gratuity :
  - (a) Gratuity shall not be payable to a workman dismissed for misconduct.
  - (b) Salary or wages for the purpose of calculating gratuity shall be the average salary or wages exclusive of D. A. and other allowances payable to the workman during the twelve months next previous to death, disability, retirement, resignation or termination as the case may be.
  - (c) The Company shall be at liberty to grant gratuity in excess of the above in its discretion.

7 Lord Kin Printery, Ahmedabad  
and

Settlement ( No. 1066 of 1954 ),  
dated 11th January 1955.

The workmen employed under it.

*Terms of Settlement*

1. On the death or disability of a workman. 1. 15 days' basic salary for each completed year of continuous service, subject to a maximum of 7½ months' basic salary. In the event of death gratuity shall be paid to the heirs, assignees or legal representatives of deceased workman.
2. On resignation or voluntary retirement after 15 years' continuous service. 2. 7½ months' basic salary.
3. On the termination of service by the employer after 10 years' continuous service. 3. 15 days' basic salary for each completed year of service subject to a maximum of seven and half months' basic salary.
4. All the past services of employees with this press shall be taken into account in computing the amount of gratuity payable.
5. The gratuity payable under this sheme shall merge in the retrenchment compensation paid to the workmen, if any.

**M**

8 The Manorath Printery, Ahmedabad Settlement, dated 12th December, 1955.

*versus*

Workmen employed under it.

*Terms of Settlement*

1. On death or disability of workman. 15 days' basic salary for each completed year of continuous service subject to a maximum of 7½ months' basic salary. In the event of death the gratuity shall be paid to the heirs, assignees or legal representatives of deceased workman.
2. On resignation or voluntary retirement of a workman after 15 years' continuous service. 15 days' basic salary for each completed year of continuous service subject to a maximum of 7½ months' basic salary.



3. On termination of service by the employer after ten years of continuous service. 15 days' basic salary for each completed year of service subject to a maximum of 7½ months' basic salary.
4. For the purpose of Gratuity services of the workmen shall be calculated from the date on which the management has purchased the Mahendra Mudranalaya.
5. The Gratuity payable under this scheme shall merge in the retrenchment compensation payable to the workmen.
6. A workman who is dismissed for misconduct shall not be entitled to any gratuity.

9 Mayoor Printery, Ahmedabad  
and

Settlement (No. 1065 of 1954),  
dated 11th January, 1955.

The workmen employed under it.

#### *Terms of Settlement*

1. On the death or disability of a workman. 1. 15 days' basic salary for each completed year of continuous service subject to a maximum of 7½ months' basic salary. In the event of death the gratuity shall be paid to heirs, assignees or legal representatives of deceased workman.
2. On the resignation or voluntary retirement after 15 years' service. 2. 7½ months' basic salary.
3. On the termination of service by the employer after ten years of continuous service. 3. 15 days' basic salary for each completed year of service subject to a maximum of 7½ months' basic salary.
4. All the past services of the workmen with this press shall be taken into account in computing the amount of gratuity payable.
5. The gratuity payable under this scheme shall merge in the retrenchment compensation paid to the workman, if any.

#### **N**

10 Nav Prabhat Printing Press,  
Ahmedabad  
and

Award Ref (IT) No. 212 of 1957,  
*Bombay Government Gazette*,  
Part I-L, dated 12th June,  
1958, page 3054.

Workmen employed under it.

*Direction given by the Tribunal*

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|---|--|
| <p>1. On the death of an employee while in the service of the company or on his becoming physically or mentally incapacitated for further service.</p> <p>2. On voluntary retirement or resignation of an employee after 15 years' continuous service.</p> <p>3. On termination of service by the company.</p> <p>(a) After 10 years' continuous service, but less than 15 years' service in the company.</p> <p>(b) After 15 years' continuous service in the company.</p> | <p>1. Half a month's basic wages for each year of service subject to a maximum of 10 months' wages to be paid to the workman or, if he has died, to his legal representatives, or executors or nominees as the case may be.</p> <p>2. Half a month's basic wages for each completed year of service subject to a maximum of 10 months' wages.</p> <p>(a) 10 days' basic wages for each completed year of service.</p> <p>(b) Half a month's basic wages for each completed year of service subject to a maximum of 10 months' basic wages.</p> |
|---|--|
4. Salary for the purpose of calculating gratuity will be the salary drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.
5. Gratuity shall not be paid to a workman who is dismissed for misconduct.

11 Nav Prabhat Printing Press, Ahmedabad  
and  
Award in Ref (IT) No. 212 of 1957, Bombay Government Gazette, Part I-L, 30th July 1959, page 3354.

Workmen employed under it.

*Direction given by the Tribunal*

The Industrial Tribunal had made an award on this dispute on 14th May, 1958. The Press filed a writ petition in the High Court and the Award was modified by the Tribunal as under :—

A Gratuity Scheme on the modest scale as prescribed in the 1st Award should be introduced. In that scheme the words 'basic' shall be deleted, as there are no separate basic wages in this Press.

The clause 5 shall be recast as under :—

If a workman is dismissed for misconduct, resulting in financial loss to the Press, Gratuity to the extent of loss shall not be paid to him.

The clause 6 will be added to the first award as under :—

Gratuity at the above rates shall be paid to those who have gone out of employment due to death, physical or mental incapacity, retirement, resignation or termination during the period between the date of the demand and the date of the publication of this award. For that purpose application should be made by or on behalf of the workman concerned within two months of the date of the publication of this award.

The expression 'continuous service' shall have the same meaning as in the I. D. Act.

### S

12 Sandesh Limited, Ahmedabad

and

Workmen employed under it.

Award in Ref. (IT) No. 122 of 1952, *Bombay Government Gazette*, Part I-L, 14th May 1953, page 1095.

### *Direction given by the Tribunal*

- |   |   |
|---|---|
| 1. On the death of an employee while in the service of the Co., or on his becoming physically or mentally incapable of further service. | 1. $\frac{1}{2}$ month's salary or wages for each year of continuous service subject to a maximum of $7\frac{1}{2}$ months' wages to be paid to the disabled employee or, if he has died, to his heirs or legal representatives or assignees. |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service.  | 2. $\frac{1}{2}$ month's salary or wages for each year of continuous service subject to a maximum of $7\frac{1}{2}$ months' salary.   |
| 3. On termination of service by Company.  | 3. $\frac{1}{2}$ month's salary or wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' salary.  |

The following conditions shall govern the grant of gratuity :—

(a) Gratuity shall not be payable to workmen dismissed for misconduct.

(b) Salary or wages for the purpose of calculating gratuity shall be the average salary or wages exclusive of D. A. payable to the workmen, during the 12 months next previous to death, disability, retirement, resignation, or termination as the case may be.

(c) The Co. shall be at liberty to grant gratuity in excess of the above in its discretion.

A further question is likely to arise in the case of this company as to how the period of service is to be calculated as this was a proprietary concern

till 1943-44 and has only become a public limited concern thereafter. It is directed as under :—

(a) For the purpose of determining whether a worker becomes entitled to receive gratuity or not, period of all his service including the service with the proprietary concern which was taken over by the Sandesh Ltd. should be taken into account.

(b) For determining the quantum of gratuity that has become payable, only the period of services put in after the formation of Sandesh Ltd. should be taken into account.

13 Sandesh Limited, Ahmedabad

and

Workmen employed under it.

LAT, Appeal (Bom.) No. 180 & 184 of 1956, *Bombay Government Gazette*, Part I-L, dated 29th November, 1956, page 4588 (against Award in Ref No. I. T. 123 of 1955).

*The Gratuity scheme awarded by the Industrial Tribunal has been modified as under*

1. On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated for further service. 1.  $\frac{1}{2}$  month's salary or wages for each year of continuous service subject to maximum of  $7\frac{1}{2}$  months' wages to be paid to the disabled employee or if he has died to his heirs or legal representatives as the case may be.
2. After 15 years' continuous service on voluntary retirement on attaining the age of superannuation which is fixed at the completion of 58 years or in case of earlier retirement by becoming unfit to work. 2. Half a month's salary or wages for each year of continuous service subject to a maximum of  $7\frac{1}{2}$  months' wages. In case of doubt as to whether an employee has become unfit to work, the Co. shall be entitled to require a certificate of Civil Surgeon to the effect that such employee is unfit to work.
3. On termination of service by the company.  $\frac{1}{2}$  month's salary or wages for each completed year of service subject to a maximum of  $7\frac{1}{2}$  months' wages, provided however if such employee is entitled to retrenchment compensation under section 25F of the I. D. Act or any other statute, he shall not be entitled to a double benefit of gratuity and such compensation, but will be given either of the benefits whichever is higher.
4. Gratuity will not be payable to an employee who is dismissed for misconduct.

5. Salary or wages for the purpose of calculating gratuity shall be the average salary or wages exclusive of Dearness and other allowances payable to an employee during the 12 months next previous to death, disability, retirement, resignation or termination, as the case may be.

6. The Co. shall be at liberty to grant gratuity in excess of the above in its discretion.

Sandesh Limited, Ahmedabad

*versus*

The workmen employed under it.

Ref. (IT) No. 123 of 1955, *Bombay Government Gazette*, Part I-L, dated 24th May, 1956, page 1849.

*Direction given by the Tribunal*

- |  |  |
|--|--|
| 1. On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapable of further service. | 1. $\frac{1}{2}$ month's wages or salary for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' wages to be paid to the disabled employee or if he has died to his heirs or legal representatives or assignees. |
| 2. On voluntary retirement or resignation of an employee, after 15 years' continuous service.  | 2. $\frac{1}{2}$ month's salary or wages for each year of continuous service subject to a maximum of $7\frac{1}{2}$ months' wages.   |
| 3. On termination of service by the Co.  | 3. Half a month's salary or wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' wages.   |

The following conditions shall govern the grant of gratuity:—

4. Gratuity shall not be payable to workmen dismissed for misconduct.

5. Salary or wages for the purpose of calculating gratuity shall be the average salary or wages exclusive of Dearness and other allowances payable to the workman, during the 12 months next previous to death, disability, retirement, resignation or termination as the case may be.

6. The Co. shall be at liberty to grant gratuity in excess of the above in its discretion.

7. For the purpose of determining whether worker becomes entitled to receive gratuity or not the period of his whole service including the services with the proprietary concern which was taken over by the Sandesh Limited, shall be taken into account.

8. For determining the quantum of gratuity that has become payable only the period of service put in after the formation of Sandesh Limited should be taken into account.

- 15 Sastu Sahitya Vardhak Karyalaya, Settlement (No.195 of 1956), dated  
Ahmedabad 27th April, 1957.

and

The workmen employed under it.

*Terms of Settlement*

1. If an employee dies while in the service. 1. His heirs will be given gratuity at the rate of half a month's basic pay per each year of service subject to a maximum of seven and a half months' basic pay.
2. If an employee resigns or retires after completing service of 12 years. 2. He will be given as gratuity half a month's basic pay per each year of service subject to the maximum limit of seven and a half months' basic pay.
3. If an employee is retrenched. 3. He will be given gratuity at the rate of half a month's basic pay per each year of service subject to a maximum of seven and a half months' basic pay.
4. If an employee gets retrenchment compensation as per the Industrial Disputes Act, he will not have any right of gratuity.
5. If an employee is dismissed or relieved for the reasons of dishonesty, misconduct, mischief etc., he will not be given gratuity or retrenchment compensation.
6. In consideration of this Gratuity Scheme it is agreed that the management shall be at liberty to retire any workman on completion of 58 years of age or in case of prior physical or mental disability to work efficiently.

- 16 Sastu Sahitya Vardhak Karyalaya, Settlement ( No. 207 of 1958 ),  
Ahmedabad dated 6th November 1958.

and

Workmen employed under it.

*Terms of Settlement*

1. If a workman dies while in service. 1. His heirs shall be given gratuity at the rate of half a month's basic pay per each year of service subject to a maximum limit of seven and a half months' basic wages.

2. If a workman resigns or retires after completing service of at least twelve years. 2. He will be given as gratuity half a month's basic pay per each year of service subject to a maximum of  $7\frac{1}{2}$  months' basic pay.
3. If a workman is retired or retrenched he will be given gratuity at the rate of— 3. Half a month's basic pay per each year of service subject to a maximum limit of  $7\frac{1}{2}$  months' basic pay.
4. If a workman is retrenched, he will be entitled to get retrenchment compensation as per Industrial Disputes Act, or gratuity, whichever is higher.
5. If a workman is dismissed or relieved for reasons of dishonesty, misconduct, mischief, etc., he will not be given gratuity or retrenchment compensation.
6. In consideration of this Gratuity Scheme it is agreed that the management shall be at liberty to retire any workman on completion of 58 years age or in case of prior physical or mental disability to work efficiently.

17 Sharda Mudranalaya, Ahmedabad Settlement (No. 144 of 1956) dated 8th October, 1956.  
and

Workmen employed under it.

#### *Terms fo Settlement*

1. On the death or disability of a workman. 1. 15 days' basic salary for each completed year of continuous service, subject to a maximum of  $7\frac{1}{2}$  months' basic salary. In the event of death the gratuity shall be paid to the heirs, assignees or legal representatives of deceased workman.
2. On the termination of service by the employer after 10 years of continuous service. 2. 15 days' basic salary for each completed year of service subject to a maximum of  $7\frac{1}{2}$  months' basic salary.
3. On the resignation or voluntary retirement after 15 years of continuous service. 3.  $7\frac{1}{2}$  months' basic salary.
4. All the past services of the workman with this press shall be taken into account in computing the amount of gratuity.
5. Gratuity payable under this scheme shall merge in the retrenchment compensation paid to the workman if any.
6. The workman who is dismissed for misconduct shall not be entitled to any gratuity.

18 Shantivijay Printing Press, Ahmedabad Settlement (No. 164 of 1959),  
dated 7th January, 1960.

and

The workmen employed under it.

*Terms of Settlement*

- |   |   |
|---|---|
| 1. On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated for further service. | 1. 15 days' basic wages for each completed year of service subject to a maximum of 15 months' basic wages shall be paid to the workman or if he has died, to his heirs or legal representatives, or executors or nominees as the case may be. |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service.  | 2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 15 months' basic wages.   |
| 3. On the termination of service by the employer after 15 years' continuous service.  | 3. 15 days' basic wages for each completed year of service subject to a maximum of 15 months' basic wages shall be paid to the workman.   |



But if a workman is entitled to retrenchment compensation under section 25F, he would be entitled only to retrenchment compensation under section 25F or to gratuity under the scheme whichever is higher.

4. The basic wages for the purpose of calculating the gratuity will be 50 per cent. of the consolidated wages drawn by the employee in the month immediately preceding the occurrence of the event entitling him to gratuity.

19 Suryaprakash and Advance Printeries, Ahmedabad Settlement (No. 1064/1954.),  
dated 19th January, 1955.

and

The workmen employed under it.

*Terms of Settlement*

- |   |  |
|---|--|
| 1. On the death or disability of a workman. | 1. 15 days' basic salary for each completed year of continuous service subject to a maximum of 7½ months' basic salary. In the event of the death the gratuity shall be paid to the heirs, assignees or legal representatives of deceased workman. |
|---|--|



2. On resignation or voluntary retirement after 15 years' service. 2. 7½ months' basic salary.
3. On termination of service by the employer after 10 years of continuous service. 3. 15 days' basic salary for each completed year of service subject to a maximum of 7½ months' basic salary.
4. All the past services of the workman with this press shall be taken into account in computing the amount of gratuity payable.
5. The gratuity payable under this scheme shall merge in the retrenchment compensation payable to the workman.
6. The workman who is dismissed for misconduct, shall not be entitled to any gratuity.

### Industry : Rubber

Sr. No.	Name of the concern	Reference
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#### G

- |   |  |
|---|--|
| 1 Gujarat Rubber Works, Ltd.,<br>Baroda | Settlement (No. 79 of 1957) dated<br>9th February, 1957. |
|---|--|

and

The Workmen employed under it.

#### *Terms of settlement*

The Company agreed to introduce a Gratuity Scheme from 1st November, 1956, as per award in Ref. (IT) No. 156 of 1954, between the Alembic Chemical Works Co., Ltd., Baroda and its workmen (other than Clerks) employed under it, published in *Bombay Government Gazette*, Part I-L, dated 24th March, 1955 on page No. 855-62 which is as under :—

- |  |  |
|--|--|
| <ol style="list-style-type: none"> <li>1. On the death of an employee while in the service of the Co. or on his becoming physically or mentally incapacitated for further service.</li> <li>2. On voluntary retirement or resignation of an employee after 15 years of continuous service.</li> <li>3. On termination of service by the Co.</li> </ol> | <ol style="list-style-type: none"> <li>1. Half a month's salary or wages for each year of continuous service to be paid to the disabled employee, or if he has died to his heirs or legal representatives or assignees.</li> <li>2. Half a month's salary or wages for each completed year of service.</li> <li>3. Half a month's salary or wages for each completed year of service.</li> </ol> |
|--|--|
4. Gratuity shall not be paid to any employee who is dismissed for misconduct or dishonesty.

5. Salary for the purpose of calculating gratuity shall mean the substantive salary ( exclusive of allowance ) of an employee on the date the employee ceases to be in the employment of the company.

### S

- 2 The Saroj Industrial Works, Kalol. Award (IT) No. 39 of 1958 dated 12th September, 1958.  
and (Unpublished.)

The workmen employed under it.

### *Direction given by the Tribunal*

Gratuity shall be paid to the workmen on the scale and subject to the conditions laid down below :—

- |   |   |
|---|---|
| <p>1. On the death of a workman while in the service of the company or on his becoming physically or mentally incapacitated for further service.</p> <p>2. On voluntary retirement or resignation of a workman after 15 years' continuous service, in the Company.</p> <p>3. On termination of service by the Company after 10 years' continuous service in the Co.</p> <p>4. Gratuity will not be payable to a worker who is dismissed for misconduct.</p> | <p>1. Half a month's basic wages for each completed year of service subject to a maximum of 12 months' basic wages to be paid to him or if he has died to his heirs or legal representatives or assignees as the case may be.</p> <p>2. On the same scale as in (1).</p> <p>3. On the same scale as in (1).</p> |
|---|---|

5. Whenever a workman is entitled to receive retrenchment compensation under the provisions of the Industrial Disputes ( Amendment ) Act, 1953, he will not be entitled to both but to whichever is higher.

### **Industry : Hotels and Restaurants**

Sr. No.	Name of the concern	Reference
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### A

- |   |   |
|---|---|
| <p>1 The Ahmedabad Ram-Krishna Mills Employees Co-operative Consumers Society Ltd.,<br/>and</p> | <p>Ref. (IT) No. 77 of 1960, <i>Gujarat Government Gazette</i>, Part I-L dated 24th November, 1960, P. 884.</p> |
|---|---|

The workmen employed under it,  
in its canteen.

*Direction given by the Tribunal*

1. On the death of an employee while in the service of the Canteen or on his becoming physically or mentally incapacitated for further service.
2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.
3. On termination of service by the society after 15 years' continuous service.
1. 15 days' basic wages for each completed year of service, subject to a maximum of 7 1/2 months' basic wages shall be paid to the workman or if he has died to his legal representatives or assignees or executors or nominees as the case may be.
2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 7 1/2 months' basic wages.
3. 15 days' basic wages for each completed year of service subject to a maximum of 7 1/2 months' basic wages shall be paid to the workman. But if a workman is entitled to retrenchment compensation under section 25F, he would be entitled to retrenchment compensation under section 25F, or to gratuity under the scheme, whichever is higher. Gratuity will not be payable to an employee who is dismissed or discharged for misconduct.
4. Wages for the purpose of calculating the gratuity will be the basic wages drawn by the workman in the months immediately preceding the occurrence of the event entitling him to gratuity.

- 2 The Ajit Mills Employees Co-operative, Credit Society, Ahmedabad and
- Award in Ref. (IT) No. 105 of 1959, dated 29th June, 1961. (Unpublished)

The workmen employed under its canteen.

*Direction given by the Tribunal*

1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.
1. 15 days' basic wages for each completed year of service subject to a maximum of 7 1/2 months' basic wages shall be paid to him or if he has died to his heirs or legal representatives or assignees or executors or nominees as the case may be.

- |  |  |
|--|--|
| <p>2. On voluntary retirement or resignation of an employee after 15 years of continuous service in the canteen.</p> | <p>2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 7½ months' basic wages.</p>   |
| <p>3. On termination of service by the Society after 15 years' continuous service.</p>                               | <p>3. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages, shall be paid to him, but if he is entitled to retrenchment compensation under section 25F, he would be entitled to only retrenchment compensation under 25F or to gratuity under the scheme whichever is higher. Gratuity will not be payable to an employee who is dismissed for misconduct.</p> |

4. Wages for the purpose of calculating gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

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|---|---|
| <p>3 Anand Nivas Guest House, Ahmedabad</p> | <p>Award in Ref. (IT) No. 39 of 1956, <i>Bombay Government Gazette</i> Part I-L, dated 27th September, 1956, P. 3529.</p> |
|---|---|

*versus*

The workmen employed under it.

*Direction given by the Tribunal.*

- |  |   |
|--|---|
| <p>1. On voluntary retirement or resignation after 15 years of service.</p>  | <p>1. 7½ months' salary exclusive of allowances.</p>                          |
| <p>2. On death, disability or on termination of service.</p>   | <p>2. 15 days' salary (exclusive of allowances) for each year of service.</p> |
| <p>3. Employee dismissed for misconduct will not be entitled to gratuity. Worker will be entitled to either gratuity or retrenchment compensation under the I. D. Act, but not both.</p> |   |


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|--|--|
| <p>4 Asarwa Mills No. 1, Employees Consumers Society Ltd., Ahmedabad</p> | <p>Ref. (IT) No. 68 of 1960, <i>Gujarat Government Gazette</i>, Part I-L, Dated 24th November, 1960, P. 888.</p> |
|--|--|

*versus*

The workmen employed under it.

*Direction given by the Tribunal*

The parties arrived at a mutual agreement and the Tribunal gave an award in terms of the agreement. Since the benefit of P. Fund is not available to the employees of the canteen benefit of gratuity will be as under :

- |  |   |
|--|---|
| 1. On the death of an employee while in the service of the canteen or on his physical or mental disability to continue further in service. | 1. 15 days' basic wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages to be paid to him, or to his heirs, executors or nominees as the case may be.   |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.                                | 2. 15 days' basic wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages.  |
| 3. On termination of the service of an employee by the society after completion of 15 years of service.                                    | 3. 15 days' basic wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages. But if the workman is entitled to get compensation under section 25F of the I. D. Act then he will get the amount of compensation or gratuity whichever is more. |
-   
 4. For calculation of gratuity the basic wages of month prior to death, resignation, retirement or termination of service, will be taken into consideration.

- 5 Ashok Niwas Bhojanalaya and Ref (ITA) No. 2 of 1955, *Bombay Government Gazette* Part I-L, Hotel, Ahmedabad dated 20th October 1955, P. 3214.

The workmen employed under it.

*Direction given by the Tribunal*

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|--|--|
| 1. On voluntary retirement or resignation after 15 years.  | 1. $7\frac{1}{2}$ months' last basic salary.       |
| 2. On termination of service by the management.  | 2. 15 days' basic salary for each year of service. |
| 3. Employee dismissed for misconduct will not be entitled to gratuity.   |  |
| 4. In any given case the benefit should be only either under this scheme or under I. D. Act, 1947, but not both. |  |

**B**

- 6 Bagicha Mills Co-op. Supply Society Ltd., Ahmedabad Ref. No. 65 of 1960. Award, dated 8th July 1960 (Unpublished).

and

Workmen employed under the canteen.

*Direction given by the Tribunal*

- |  |   |
|--|---|
| <p>1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.</p> | <p>1. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman or if he has died to his legal representatives or assignees or nominees or executors as the case may be.</p>  |
| <p>2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.</p>                                     | <p>2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 7½ months' basic wages.</p>  |
| <p>3. On termination of service by the Society after 15 years' continuous service.</p>   | <p>3. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman. But if the workman is entitled to retrenchment compensation under section 25F, he would be entitled only to retrenchment compensation under section 25F or to gratuity under the scheme whichever is higher.</p> |



4. Gratuity will not be payable to an employee who is dismissed for misconduct.

5. Wages for the purpose of calculating the gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

- 7 Bechardas Mills Employees Co-op. Consumers Society Ltd., Ahmedabad Settlement ( No. 116 of 1959 ), dated 23rd December, 1959.

*versus*

The workmen employed under it.

*Terms of Settlement*

- |  |  |
|--|--|
| 1. On the death or permanent total disability of an employee while in the service of the establishment.                                | 1. Half a month's basic salary for each completed year of service. |
| 2. On termination of the service by the establishment, after completion of 10 years' continuous service.                               | 2. Half a month's basic salary for each completed year of service. |
| 3. On retirement due to old age or resignation of the employee during the service, after completion of 15 years of continuous service. | 3. Half a month's basic salary for each completed year of service. |
4. Gratuity shall not be payable to an employee who is dismissed for misconduct.
5. The maximum amount of gratuity payable to any worker under (1), (2) and (3) above shall not exceed 15 months' basic salary.

- 8 (1) Bombay Hotel, Ahmedabad. Settlement (No. 1078 of 1954),  
 (2) Air Port Catering. dated 15th December 1954.  
 (3) B.J. Medical College Refectory.  
 (4) Kailas Kafe.

*versus*

The workmen employed under it.

*Terms of Settlement*

It is agreed between the parties that the Award including final award in appeal, if any, in Reference ITB No. 15 of 1953, between the Chandra Vilas Hindu Hotel, Ahmedabad and its workmen shall be applied in toto in respect of demands relating to wages, d. a., sick leave, casual leave, payment of wages and gratuity, to the workmen employed in all the 4 concerns of the Bombay Hotel at Ahmedabad.

The provisions regarding gratuity in the above referred award is as under :—

- |  |  |
|--|--|
| 1. On voluntary retirement or resignation after 15 years.  | 1. 7½ months' last basic salary.                   |
| 2. On termination of service by the company.   | 2. 15 days' basic salary for each year of service. |
| 3. An employee dismissed for misconduct will not be entitled to gratuity.                                |  |
| 4. In any given case the benefit should be only either under this scheme or under the Act, but not both. |  |

## C

- 9 The Chandra Vilas Hindu Ref. (IT) No. 15 of 1953, *Bombay Government Gazette*, Part I-L, dated 29th July 1954, P. 1954 and Ref. (IT) No. 124 of 1957 Award, dated 17th October, 1957 (Unpublished).
- Hotel, Ahmedabad.
- and
- The workmen employed under it.

*Direction given by the Tribunal*

1. On voluntary retirement or resignation of a workman after 15 years. 1. 7½ months' basic salary.
2. On termination of service by the company. 2. 15 days' basic salary for each year of service.
3. Employee dismissed for misconduct will not be entitled to gratuity.
4. In any given case the benefit should be only one either under this scheme or under the Act, but not both.

- 10 City Restaurant, Ahmedabad Ref. (IT) No. 5 of 1955, *Bombay Government Gazette*, Part I-L, dated 12th April 1956, P. 1204.
- and
- Workmen employed under it.

*Direction given by the Tribunal*

1. On voluntary retirement or resignation after 15 years' service. 1. 7½ months' salary exclusive of allowances.
2. On death, disability or termination of service. 2. 15 days' salary (exclusive of allowances) for each year of service.
3. Employees dismissed for misconduct will not be entitled to gratuity.
4. Worker will be entitled to either gratuity or retrenchment compensation under Industrial Disputes Act, but not both.

- 11 Commercial Ahmedabad Mills Settlement (No. 46 of 1960), dated 27th February 1961.
- Co-operative Supply Society, Ahmedabad

*versus*

The workmen employed under it.



*Terms of Settlement*

- |   |   |
|---|---|
| <p>1. On the death of an employee while in the service of the canteen, or on his becoming physically or mentally incapacitated for further service.</p> <p>2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.</p> <p>3. On termination of service by the Society after 15 years' continuous service.</p> | <p>1. 15 days' basic wages for each completed year of service subject to maximum of 7½ months' basic wages shall be paid to the workman, or if he has died, to his legal representatives or assignees or nominees, as the case may be.</p> <p>2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 7½ months' basic wages.</p> <p>3. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman. But if the workman is entitled to retrenchment compensation under section 25F he would be entitled only to retrenchment compensation under section 25F, or to gratuity under the scheme whichever is higher.</p> |
|---|---|

4. Wages for the purpose of calculating gratuity will be the basic wage drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

**G**

- 12 Girdhardas Harivallabhdas Mill Settlement (No. 182 of 1959),  
Employees Co-operative Supply Society Ltd., Ahmedabad dated 23rd December, 1959.

and

The workmen employed under it.

*Terms of Settlement*

- |  |   |
|--|---|
| <p>1. On death or permanent total disability of an employee duly certified by a Registered Medical Practitioner, while in the service of the establishment.</p> <p>2. On termination of service by the management of the establishment after completion of 10 years' continuous service.</p> | <p>1. Half a month's basic salary for each completed year of service.</p> <p>2. Half a month's basic salary for each completed year of service.</p> |
|--|---|

3. On retirement due to old age or resignation after 15 years' continuous service.
3. Half a month's basic salary for each completed year of service.
4. Gratuity shall not be payable to a workman who is dismissed for misconduct.
5. The maximum amount of gratuity payable to any workman under (1), (2) and (3) above shall not exceed 15 months' basic salary.

- 13 Gujarat Hindu Hotel and Lodge, Ahmedabad      Ref. (ITA) No. 2 of 1956, *Bombay Government Gazette*, Part I-L, dated 29th November 1956, P. 4710.
- and

The workmen employed under it.

*Direction given by the Tribunal*

1. On voluntary retirement or resignation after 15 years.
1. 7½ months' last basic salary.
2. On termination of service by the Co.
2. 15 days' basic salary for each year of service.
3. Employee dismissed for misconduct will not be entitled to gratuity.

**H**

- 14 Himabhai Mill No.1 Employees Co-operative Canteen Society Ltd., Ahmedabad      (IT) No. 103 of 1959, Award, dated 1st January 1960 (Unpublished).

and

Workmen employed under it.

*Direction given by the Tribunal*

1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.
1. 15 days' basic wages for each year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman or if he has died to his legal representatives or assignees or executors or nominees as the case may be.
2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.
2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 7½ months' basic wages.

3. On termination of service by the Society after 15 years' continuous service.
3. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman. But if a workman is entitled to retrenchment compensation under section 25F, he would be entitled only to retrenchment compensation under section 25F, or to gratuity under the Scheme, whichever is higher.

4. Wages for the purpose of calculating gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

**J**

- 15 Janta Restaurant and Lodge, Ahmedabad Award Ref. (IT) No. 8 of 1956, *Bombay Government Gazette*, Part I-L, dated 1st November 1956, P. 4257.
- and

Workmen employed under it.

*Direction given by the Tribunal*

1. On voluntary retirement or resignation after 15 years of service.
1. 7½ months' last basic salary.
2. On termination of service by the management.
2. 15 days' basic salary for each year of service.
3. Employee dismissed for misconduct will not be entitled to gratuity.

- 16 Jawahar Hindu Hotel, Ahmedabad Ref. (ITB) No. 8 of 1954, *Bombay Government Gazette*, Part I-L, dated 10th March 1955, P. 733.
- and

The workmen employed under it.

*Direction given by the Tribunal*

1. On resignation or retrenchment after 15 years' service.
1. 7½ months' salary.
2. On death, disability or termination of service by the employer.
2. 15 days' salary for each year of service.
3. No gratuity will be payable to a worker dismissed for misconduct.

4. The benefit should be one either under the award or under the Act.

- 17 The Jehangir Vakil Mills Employees' Settlement (No. 161 of 1959), da-  
Co-operative Supply Society Ltd., ted 30th September 1959.  
Ahmedabad

and

The workmen employed under it.

*Terms of Settlement*

- |  |  |
|--|--|
| 1. On the death or disability of an employee while in the service of the establishment.  | 1. 15 days' basic salary for each completed year of service. |
| 2. On termination of the service by the establishment after completion of 10 years' continuous service.                        | 2. 15 days' basic salary for each completed year of service. |
| 3. On retirement due to old age or resignation of an employee during service after completion of 15 years' service.            | 3. 15 days' basic salary for each completed year of service. |
| 4. Gratuity shall not be payable to an employee, who is dismissed for misconduct.  |  |
| 5. The maximum amount of gratuity payable to any worker under (1), (2) and (3) above shall not exceed 15 months' basic salary. |  |

- 18 Jubilee Mills Employees' Co-operative Supply Society Ltd., Ahmedabad

and

Ref. (IT) No. 78 of 1960, Award, dated 22nd December 1960, (Unpublished).

The workmen employed under it.

*Direction given by the Tribunal*

- |   |   |
|---|---|
| 1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service. | 1. 15 days' basic wages for each completed year of service, subject to a maximum of 7½ months' basic wages shall be paid to the workman or if he has died, to his legal representatives or assignees or executors or nominees as the case may be. |
| 2. On voluntary retirement or resignation of an employee after completion of 15 years' continuous service in the canteen.                       | 2. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages.  |

3. On termination of service by the Society after 15 years' continuous service.
3. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman, but if the workman is entitled to retrenchment compensation under section 25F, he would be entitled only to gratuity under the scheme or retrenchment compensation under section 25F, whichever is higher.

4. Wages for the purpose of calculating gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

- 19 Jupiter Mills Consumers' Co-operative Society Ltd., Ahmedabad and Award (IT) No. 255 of 1959, dated 21st April 1960 (Unpublished).

The workmen employed under it in its canteen.

*Direction given by the Tribunal*

The management agreed to apply a Scheme of gratuity for the workmen of the canteen as under :—

1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.
1. 15 days' basic wages for each completed year of service, subject to a maximum of 7½ months' basic wages shall be paid to the workman or if he has died, to his legal representatives or assignees or executors or nominees as the case may be.
2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.
2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 7½ months' basic wages.
3. On termination of service by the Society after 15 years' continuous service.
3. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman but if a workman is entitled to retrenchment compensation under section 25F, he would be entitled only to gratuity under the scheme or retrenchment compensation under section 25F, whichever is higher.

4. Wages for the purpose of calculating the gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

### L

20 Laxmi Vilas Hindu Hotel, Reference (ITB) No. 10 of 1954,  
Ahmedabad  
and  
Bombay Government Gazette,  
Part I-L, 13th October 1955,  
P. 3119.

The workmen employed under it.

### *Direction given by the Tribunal*

1. On voluntary retirement or resignation of worker after 15 years.
1. 7½ months' last basic salary.
2. On termination of service by the canteen.
2. 15 days' basic salary for each year of service.
3. Employee dismissed for misconduct shall not be entitled to gratuity.
4. In any case the benefit should be only either under this Scheme or under the Act, but not both.

21 Laxmi Vilas Hindu Hotel, Ahmedabad  
and  
Appeal No. 299 and 300 of 1955  
against the award of the I.T.,  
dated 21st September 1955, in  
Ref. (ITB) No. 10 of 1954,  
Bombay Government Gazette,  
Part I-L, dated 13th October  
1955, and dated 9th August  
1956, P. 2799-2801.

The workmen employed under it.

### *Direction given by the Tribunal*

The workmen shall be paid gratuity only in case of death or disability at the rate of 15 days' basic pay for each year of continuous service, subject to a maximum of 7½ months' basic pay.

This Scheme shall be in supersession of the award Scheme and the workmen will be at liberty to re-agitate the question when the concern becomes prosperous.

22 Lucky Star Hindu Restaurant, Ref. (ITA) No. 4 of 1956, Bombay  
Ahmedabad  
Government Gazette, Part I-L,  
Dated 25th October 1956,  
P. 4178.

and

The workmen employed under it.

*Direction given by the Tribunal*

- |  |  |
|--|--|
| 1. On voluntary retirement or resignation after 15 years of service. | 1. 7½ months' wages to be paid.                    |
| 2. On termination of service by the management.                      | 2. 15 days' basic salary for each year of service. |

**M.**

- |   |   |
|---|---|
| 23 Mafatlal Mills Employees' Co-operative Credit Society Ltd., Navsari. | Settlement ( No. 149 of 1961 ), dated 11th August 1961. |
|---|---|

*versus*

The workmen employed under it.

*Terms of Settlement*

- |   |   |
|---|---|
| 1. On the death of an employee while in the service of the Society or on his becoming physically or mentally incapacitated for further service.   | 1. 15 days' basic wages for each completed year of service, subject to a maximum of 7½ months' basic wages shall be paid to the workman or if he has died to his legal representatives or assignees or executors or nominees, as the case may be.   |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the Society.   | 2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of 7½ months' basic wages.   |
| 3. On termination of service by the Society after 15 years' continuous service.   | 3. 15 days' basic wages for each completed year of service, subject to a maximum of 7½ months' basic wages shall be paid to the workman. But if he is entitled to retrenchment compensation under section 25F of Industrial Disputes Act, he would be entitled only to retrenchment compensation under section 25F, or to gratuity under the Scheme, whichever is higher. |
| 4. Wages for the purpose of calculating the gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity. |   |

- |  |   |
|--|---|
| 24 Maha Laxmi Vilas Hindu Hotel, Ahmedabad | Ref. (ITA) No. 4 of 1955, <i>Bombay Government Gazette</i> , Part I-L, dated 25th August 1955, P. No. 2641. |
|--|---|

*versus*

The workmen employed under it.

*Direction given by the Tribunal*

1. On retirement after 15 years' continuous service.
1. 15 days' wages for each year of service.
2. In case of death, disability or termination of service by the concern.
2. 15 days' wages for each year of service put in by the worker.
3. It should be either the benefit under the Scheme or under the I. D. Act, but not both.

25 The Maheshwari Mills Employees' Co-operative Credit Supply Society Ltd., Ahmedabad Ref. (IT) No. 132 of 1959, Award dated 18th November 1960. (Unpublished ).

and

Workmen employed under its canteen.

*Direction given by the Tribunal*

1. In case of death of a workman while in the service or on his becoming physically or mentally incapacitated for further service.
  1. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman; or if the workman has died to his heirs, legal representatives or executors or nominees, as the case may be.
  2. On voluntary retirement or resignation of a workman after 15 years' service in the canteen.
  2. 15 days' basic wages for each completed year of service, subject to a maximum of 7½ months' basic wages shall be paid to him as gratuity.
- 26 Manekchowk Mills Employees' Co-operative Consumers Society Ltd., Ahmedabad Settlement ( No. 164 of 1960 ), dated 13th September 1960.
- and
- The workmen employed under its canteen.

*Terms of Settlement*

1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.
1. 15 days' basic wages for each-completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman or if he has died; to his legal representatives or assignees or executors or nominees, as the case may be.



- |   |   |
|---|---|
| <p>2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.</p> <p>3. On termination of service by Society after 15 years' continuous service.</p> | <p>2. 15 days' basic wages shall be paid to him for each completed year of service, subject to a maximum of <math>7\frac{1}{2}</math> months' basic wages.</p> <p>3. 15 days' basic wages for each completed year of service subject to a maximum of <math>7\frac{1}{2}</math> months' basic wages shall be paid to the workman, but if a workman is entitled to retrenchment compensation under section 25F of the I. D. Act, 1947, he would be only entitled to retrenchment compensation under section 25F, or to gratuity, whichever is higher.</p> |
|---|---|

4. Wages for the purpose of calculating the gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

27 Monogram Mills Employees' Co-operative Supply Society Canteen Ltd., Ahmedabad Settlement (No. 146 of 1960), dated 4th May 1961.

and

The workmen employed in the canteen.



*Terms of Settlement*

- |   |   |
|---|---|
| <p>1. In case of death of a workman while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.</p> <p>2. On voluntary retirement or resignation of the workman after completion of 15 years of service.</p> | <p>1. 15 days' basic wages for each completed year of service subject to a maximum of <math>7\frac{1}{2}</math> months' basic wages shall be paid to him or if he has died to his heirs, legal representatives or executors or nominees as the case may be. For physical or mental incapacity workman shall have to produce a Medical Certificate.</p> <p>2. 15 days' basic wages for each year of service, subject to a maximum of <math>7\frac{1}{2}</math> months' basic wages shall be paid to him as gratuity.</p> |
|---|---|

3. On termination of service by the Society after completion of 15 years' service in the canteen.
3. 15 days' basic wages for each completed year of service subject to a maximum of  $7\frac{1}{2}$  months' basic wages shall be paid to him as gratuity, but if he is entitled to retrenchment compensation under section 25F of the Industrial Disputes Act, he would be only entitled to retrenchment compensation under section 25F, or to gratuity under the Scheme, whichever is higher.

4. Wages for the purpose of calculating the amount of gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

### N

- 28 Naz Restaurant, Ahmedabad Settlement ( No. 1056 of 1954 ),  
dated 12th October 1954.
- and

The workmen employed under it.

#### *Terms of Settlement*

Every workman shall be paid gratuity in case of discharge, retrenchment, resignation or death, at the rate of 15 days' wages for each year of service. In case of dismissal for misconduct, a workman shall not be paid the amount of gratuity to the extent of the financial loss caused to the establishment.

### R

- 29 Rambharose Hindu Hotel, Ahmedabad Settlement ( No. 85 of 1957 ),  
dated 10th September 1957.

*versus*

The workmen employed under it.

#### *Terms of Settlement*

1. On voluntary retirement or resignation after 15 years' continuous service.
1.  $7\frac{1}{2}$  months' last basic salary.
2. On termination of service by the company.
2. 15 days' basic salary for each year of service.
3. Workman dismissed for misconduct shall not be entitled to gratuity.

4. The workmen on termination of service by the company shall be entitled to get either gratuity as mentioned above or retrenchment compensation under the provisions of Industrial Disputes Act, 1947, whichever is higher but not both.

30 Ram Krishna Mills Employees' Co-operative Supply Society Ltd., Ahmedabad Reference ( IT ) No. 77 of 1960, award, dated 26th October 1960, ( Unpublished )

and

The workmen employed in the canteen under it.

*Direction given by the Tribunal*

1. On the death of the employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.
1. 15 days' basic wages for each completed year of service subject to a maximum of  $7\frac{1}{2}$  months' basic wages shall be paid to the workman or if he has died, to his legal representatives or assignees or executors or nominees as the case may be.
2. On voluntary retirement or resignation of the workman after completion of 15 years' continuous service.
2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of  $7\frac{1}{2}$  months' basic wages.
3. On termination of service by the Society after 15 years' continuous service.
3. 15 days' basic wages for each completed year of service subject to a maximum of  $7\frac{1}{2}$  months' basic wages shall be paid to him, but if a workman is entitled to retrenchment compensation under section 25F, he would be only entitled to retrenchment compensation under section 25F or to gratuity, whichever is higher.

4. Gratuity will not be payable to an employee, who is dismissed or discharged for misconduct.

5. Wages for the purpose of calculating gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

31 Rohit Mills Employees Co-operative Supply Society Canteen Ltd., Ahmedabad Settlement ( No. 27 of 1960 ), dated 26th May 1960.

and

The workmen employed under it.

*Terms of Settlement*

- |   |  |
|---|--|
| 1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service. | 1. 15 days' basic wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages shall be paid to the workman or if he has died, to his legal representatives or assignees or executors or nominees as the case may be. |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.                                     | 2. 15 days' basic wages shall be paid to him for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages.  |
| 3. On termination of service by the Society after 15 years' continuous service.   | 3. 15 days' basic wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages shall be paid to the workman.  |

4. If a workman is entitled to retrenchment compensation under section 25F, he would be only entitled to gratuity under the scheme or retrenchment compensation under section 25F, whichever is higher.

5. Wages for the purpose of calculating gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

32 Rustam Jehangir Vakil Mills Employees' Co-operative Credit and Supply Society Ltd., Ahmedabad Reference ( IT ) No. 80 of 1960, award, dated 25th November 1960 ( unpublished ).

*versus*

The workmen employed under it, in its canteen.

*Direction given by the Tribunal*

- |   |  |
|---|--|
| 1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service. | 1. 15 days' basic wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages shall be paid to him or if he has died, to his legal representatives or assignees or executors or nominees as the case may be. |
| 2. On voluntary retirement or resignation of an employee after 15 years' completed service.   | 2. 15 days' basic wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages shall be paid to him as gratuity.  |

3. In case of termination of service after 15 years' continuous service in the canteen by the society.
3. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman. But if a workman is entitled to get retrenchment compensation under section 25F of the Industrial Disputes Act, he would be entitled only to either retrenchment compensation under section 25F, or to gratuity under the scheme, whichever is higher.
4. Gratuity will not be paid to an employee, who is dismissed for misconduct.

### S

- 33 The Samrat Hindu Hotel and Lodge, Ahmedabad      Reference ( IT ) No. 2 of 1954, *Bombay Government Gazette*, Part I-L, dated 10th March 1955, page 744.

The workmen employed under it.

#### *Direction given by the Tribunal*

1. On voluntary retirement or resignation of an employee after 15 years' service.
1. 7½ months' salary.
2. On death, disability or on termination of service by the employer.
2. 15 days' salary for each year of service.
3. Employee dismissed for misconduct will not be entitled to gratuity and worker will be entitled either to this benefit or one under the Act, and not both.

- 34 Shorrock Mills Co-op. Society Ltd., Ahmedabad      Award in Ref. (IT) No. 61 of 1958, *Bombay Government Gazette*, Part I-L, dated 9th October 1958, P. 4840.
- versus*

The workmen employed under it.

#### *Direction given by the Tribunal*

1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.
1. 15 days' basic wages for each completed year of service subject to a maximum of 10 months' basic wages shall be paid to the workman or if he has died, to his legal representatives or assignees or nominees or executors, as the case may be.

2. On voluntary retirement or resignation of an employee after 15 years' continuous service in the canteen.
  3. On termination of service by the society after 15 years' continuous service.
  4. Wages for the purpose of calculating gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.
- 35 The Shorrock Mills Co-op. Consumers' Society Ltd., Ahmedabad and  
The workmen employed under it.
- Award in Ref. (IT) No. 61 of 1958, *Bombay Government Gazette*, Part I-L, dated 22nd October 1959, P. 4704-05.

*Direction given by the Tribunal*

1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service.
  2. On voluntary retirement or resignation of an employee after 15 years' continuous service.
  3. On termination of service by the society after 15 years' continuous service.
  4. Wages for the purpose of calculating gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.
1. 15 days' basic wages for each completed year of service subject to a maximum of  $7\frac{1}{2}$  months' basic wages shall be paid to the workman or if he has died to his legal representatives or assignees or executors or nominees, as the case may be.
  2. 15 days' basic wages shall be paid to him for each completed year of service, subject to a maximum of  $7\frac{1}{2}$  months' basic wages.
  3. 15 days' basic wages for each completed year of service subject to a maximum of  $7\frac{1}{2}$  months' basic wages shall be paid to the workman, but if a workman is entitled to retrenchment compensation under section 25F, he would be only entitled to retrenchment compensation under section 25F, or to gratuity under the scheme whichever is higher.

- 6 Star of Gujarat Irani Restaurant, Ahmedabad Ref. (ITA) No. 6 of 1956, *Bombay Government Gazette*, Part I-L, dated 1st November 1956, P. 4260.
- and
- The workmen employed under it.

*Direction given by the Tribunal*

1. On voluntary retirement or resignation after 15 years' continuous service. 1. 7½ months' last basic salary.
2. On termination of service by the management. 2. 15 days' basic salary for each year of service.
3. Employees dismissed for misconduct will not be entitled to gratuity.
4. In any given case the benefit should be only one either under this scheme or under the I. D. Act, 1947, but not both.

**T**

- 37 The Tarun Commercial Mills Employees' Co-op. Supply Society Ltd., Ahmedabad Settlement (No. 162 of 1959), dated 30th September 1959.
- and
- The workmen employed under it in its canteen.

*Terms of Settlement*

The Society shall pay its workmen the gratuity according to the Scheme of Gratuity applicable to the workmen of the Tarun Commercial Mills Ltd., Ahmedabad.

**V**

- 38 Vikram Mills Co-operative Canteen and Credit Society Ltd., Ahmedabad Ref. (IT) No. 110 of 1959, *Gujarat Government Gazette*, Part I-L, dated 1st December, 1960, P. 954.
- and
- The workmen employed under it.

*Direction given by the Tribunal*

1. On the death of an employee while in the service of the canteen or on his becoming physically or mentally incapacitated for further service. 1. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to the workman, or if he has died, to his legal representatives or assignees or executors or nominees as the case may be.
2. On voluntary retirement or resignation of the workman after 15 years' service in the canteen. 2. 15 days' basic wages for each completed year of service subject to a maximum of 7½ months' basic wages shall be paid to him.

3. On termination of service by the Society after 15 years' continuous service.
3. 15 days' basic wages for each completed year of service, subject to a maximum of 7½ months' basic wages shall be paid to him, but if a workman shall be entitled to retrenchment compensation under section 25F of Industrial Disputes Act, 1947, he would be only entitled to retrenchment compensation under section 25F or to gratuity under the scheme whichever is higher.

4. Wages for the purpose of calculating the gratuity will be the basic wages drawn by the workman in the month immediately preceding the occurrence of the event entitling him to gratuity.

5. No gratuity will be payable to an employee, who is dismissed for misconduct.

- 39 Vivekanand Mills Employees' Co-operative Supply and Credit Society Ltd., Ahmedabad and
- Award in Ref. (IT) No. 152 of 1959, dated 19th July 1960. (Unpublished)

The workmen employed under it.

*Direction given by the Tribunal*

1. On the death of an employee while in the service of the canteen, or on his becoming physically or mentally incapacitated for further service.
1. Half a month's basic wages for each completed year of service, subject to a maximum of 7½ months' basic wages shall be paid to him, or if he has died, to his legal representatives or assignees or executors or nominees, as the case may be.
2. On voluntary retirement or resignation of an employee after 15 years' continuous service.
2. On the same scale as in (1), but in any case, the amount of gratuity shall not exceed more than 7½ months' basic wages.
3. On termination of service of an employee by the Society after completion of 15 years' service in the canteen.
3. Half a month's basic wages for each completed year of service subject to a maximum of 7½ months' basic wages.
4. If any worker referred to in the above paras 1, 2 and 3, is entitled to the retrenchment compensation under section 25F of the Industrial Disputes Act, he would only be entitled to retrenchment compensation under section 25F or to gratuity at the above rates, whichever is higher.
5. Gratuity will not be payable to an employee who is dismissed for misconduct.
6. Wages for the purpose of calculating the gratuity will be the average pay of the last 6 months prior to the death, resignation, retirement or termination of service of the workmen, but any extra allowance will not be taken into consideration.
7. The worker who has worked for at least 240 days in a year will be considered as having put in a service of one complete year.



8. If there is a break of 6 months in the service, the service prior to such break, will not be taken into consideration for gratuity.

### Industry : Bidi

Sr. No.	Name of the concern	Reference
<b>K</b>		
1	Karim Bidi Factory, Ahmedabad and The workmen employed under it.	Reference (IT) No. 51 of 1959, Award, dated 31st July 1961. (Unpublished)

#### *Direction given by the Tribunal*

Award is made in terms of settlement, dated 27th July 1961.

The Co. has agreed to introduce the Scheme of Gratuity on the following terms :

- |  |  |
|--|--|
| 1. On death or physical disability of an employee. | 1. Five days' average wages per year of service. |
| 2. On resignation after 10 years' of service.      | 2. Do.   |
| 3. On discharge after 10 years' service.           | 3. Do.   |

### Industry : Wood and Furniture

Sr. No.	Name of the concern	Reference
<b>A.</b>		
1	Asarwa Bobbin Works, Ahmedabad and The workmen employed under it.	Reference (IT) No. 199 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 11th April 1957, page 1966.

#### *Direction given by the Tribunal*

- |  |   |
|--|---|
| 1. If the service of any workman is terminated by the management before the benefit of the Provident Fund Scheme is applied to this concern. | 1. Every workman or his heirs as the case may be shall be paid gratuity at the rate of 21 days' wages per each year of service. |
| 2. If the service of any workman is terminated after the enforcement of the Provident Fund Scheme in this concern.                           | 2. The workman shall be entitled to gratuity at the rate of 15 days' wages per each year of service.                            |
| 3. In case of voluntary retirement.  | 3. The workman shall be entitled to 15 days' wages as gratuity per year of service, if he has completed 10 years of service.    |
4. Whenever any workman is entitled to receive retrenchment compensation under the provisions of the Industrial Disputes (Amendment), Act, 1953, he will not be entitled to both the benefits, but shall be given that benefit which is more beneficial to him.

5. In no case shall the amount of gratuity exceed 15 months' wages.

### B

2 Bharat Bobbin Limited, Ahmedabad Settlement (No.9 of 1957), dated 15th May 1957.

and

The workmen employed under it.

#### *Terms of Settlement*

1. In case of death or disability or old age, while in the service of the Company or on termination of service or voluntary retirement or resignation, the workman shall be entitled to 15 days' wages as gratuity per each year of service, if he has completed five years' service.

### I

3 I. B. Bobbin Works, Ahmedabad Reference (IT) No. 40 of 1955, *Bombay Government Gazette*, Part I-L, dated 4th August 1955, page 2418.

and

The workmen employed under it.

#### *Direction given by the Tribunal*

A workman who is discharged or who leaves service of his own accord after having completed 10 years' service shall be paid gratuity at the rate of 10 days' total wages, for every completed year of service, subject to a maximum of 7½ months' total wages. When a workman dies or is disabled, he shall be paid gratuity at the rate mentioned above.

### M

4 Mehta Saw Mill, Jamnagar Agreement, dated 20th August 1960.

and

Workmen employed under it.

#### *Terms of Agreement*

In the case of death, his becoming physically or mentally unfit for further service, old age, resignation, removal or discharge, dismissal or accident and unfit to do his duty the workman shall be entitled to Gratuity as under :

- |  |   |
|--|---|
| 1. Upto 3 years of service               | 1. Nil.   |
| 2. Three years to five years of service. | 2. 10 days' consolidated wages for every completed year of service. |
| 3. Five years to ten years of service.   | 3. 15 days' consolidated wages for every completed year of service. |
| 4. Service above ten years.              | 4. 21 days' consolidated wages for every completed year of service. |

Wages for the purpose of gratuity will be calculated on the basis of the wages received by the workman in the last month of his service in the company.

5 Mistry Narottamdas Ramdas & (IT) No. 44 of 1957, *Bombay Government Gazette*, Part I-L, Brothers, Bilimora dated 5th December 1957, page 5531.

and

Workmen employed under it.

*Direction given by the Tribunal*

- |  |  |
|--|--|
| <p>1. On the death of an employee while in the service or on his becoming physically or mentally incapacitated for service.</p> <p>2. On voluntary retirement or resignation after 15 years of continuous service.</p> <p>3. On the termination of service by the Co.---</p> <p>(a) After completion of 10 but less than 15 years' service.</p> <p>(b) After completion of 15 years of service.</p> <p>4. Basic wages for the purpose of this Scheme shall be the average of his basic wages of the last 12 months immediately preceding the event entitling him to gratuity.</p> <p>5. An employee dismissed for misconduct will not be entitled to gratuity under this Scheme.</p> | <p>1. Half a months' basic wages for each completed year of service, subject to a maximum of 10 months' basic wages to be paid to him, his heirs, executors or nominees.</p> <p>2. On the same scale as in (1) above.</p> <p>3. (a) 1/3rd of a month's basic wages for each completed year of service subject to a maximum as laid down in (1) above.<br/>(b) On the same scale as in (1) above.</p> |
|--|--|

6 Modern Bobbin Co. Ltd., Bilimora Award in Reference (IT) No. 22 of 1959, *Bombay Government Gazette*, Part I-L, dated 24th September 1959, page 4179.

and

The workmen employed under it.

*Direction given by the Tribunal*

- |   |   |
|---|---|
| <p>1. On the death of a workman while in the service of the Company or on his becoming physically or mentally unfit for doing further service.</p> <p>2. On voluntary retirement or resignation after 15 years' continuous service.</p> | <p>1. Gratuity equivalent to half month's total wages (i. e. basic and dearness allowance) for each year of continuous service shall be paid to the disabled employee or if he is dead to his heirs or legal representatives or assigns.</p> <p>2. Half a month's total wages as aforesaid for each year of continuous service.</p> |
|---|---|

3. On termination of service after 10 years' service.
3. Gratuity will be payable at the rate of half a month's total wages as aforesaid for each year of service. This will be in addition to retrenchment compensation payable under Industrial Disputes Act, 1947. If, however, the Supreme Court holds that retrenchment compensation cannot be given in addition to gratuity, the same will be adopted here.

4. That the maximum gratuity that any worker would be entitled under this Settlement will not exceed twelve months' total wages aforesaid.

5. For purposes of reckoning continuous service, breaks in service not exceeding six months shall be condoned, but the period or periods of such breaks shall not be included in calculating the number of years of continuous service.

6. Gratuity will not be payable to an employee who is dismissed for gross misconduct resulting in financial loss and in that event he will not be paid gratuity to the extent of financial loss only.

7. Amount of gratuity under this Settlement shall be calculated on the basis of the average of the substantive total wages (basic wages and dearness allowance) drawn by the workman concerned during the 12 months prior to his death, disability, resignation or termination of service as the case may be.

### R

- 7 Rajnikant Bobbin Factory, Ahmedabad and Ref. (IT) No. 68 of 1958, Award, dated 3rd February 1959. (Unpublished).

The workmen employed under it.

### *Direction given by the Tribunal*

- |  |  |
|--|--|
| 1. On the death of the workman while in the service of the Co. or on his becoming physically or mentally disabled for further service subject to the submission of the certificate from the qualified registered medical practitioner. | 1. 15 days' wages including dearness allowance for each completed year of service shall be paid to the workman or his legal heirs. |
| 2. On voluntary retirement or resignation of a workman after ten years' continuous service.  | 2. 15 days' wages including dearness allowance for each completed year of service.   |
| 3. On the termination of the service by the employer for reasons other than misconduct of the workman after ten years of continuous service.   | 3. 15 days' wages including dearness allowance for each completed year of service shall be paid to the workman as gratuity.        |

4. Wages for the purpose of calculating gratuity will be the wages drawn by the workman in the month preceding the occurrence of the event entitling him to gratuity.
5. The benefits of this Gratuity Scheme will be given to those workmen who are in the service on 1st December 1958 and after.

### V

- 8 Victory Wood Works, Ahmedabad Settlement (No. 3 of 1959), dated 31st January 1959.  
and

The workmen employed under it.

### *Terms of Settlement*

In case of death or disability or old age while in the employment of the company or on the termination of service or on voluntary retirement or resignation.

The workman shall be paid 15 days' wages as gratuity, for every completed year of service on completion of at least five years of continuous service.

### Industry : Shops and Commercial Establishments

Sr. No.	Name of the concern	Reference
<b>J</b>		
1	M/s. Jehangir Brothers, Ahmedabad and The workmen employed under it.	Ref. (IT) No. 51 of 1958, Award, dated 22nd August 1958 (Unpublished).

### *Direction given by the Tribunal*

The Scheme of Gratuity will be as awarded in Reference IT No. 12(i) and (ii) of 1954 *vide Bombay Government, Gazette*, part I-L, dated 17th March 1955, page 798. Basic wage for the purpose of gratuity shall be deemed to be 1/3rd of the consolidated wages.

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. On voluntary retirement or resignation after 15 years' service.</li> <li>2. On termination of service by the Co.</li> <li>3. Employees dismissed for misconduct will not be entitled to gratuity.</li> <li>4. In any case, the benefit shall be one either under this scheme or under the Act and not both.</li> </ol> | <ol style="list-style-type: none"> <li>1. 7½ months' basic salary.</li> <li>2. 15 days' basic salary for each year of service.</li> </ol> |
|--|---|

The above award is modified by L.A.T. in Appeals (Bom.) Numbers 111, 112, 113, 114, 115 and 121 of 1955, as under :—

To add following :—

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>(3) On death or disability of an employee.</li> </ol> | <ol style="list-style-type: none"> <li>15 days' basic salary for each year of service subject to a maximum of 7½ months' basic salary.</li> </ol> |
|--|---|

**L**

- 2 The Laxminarayan Tailoring Works, Ref. No.(ITG) 9 of 1961, Award,  
Ahmedabad dated 15th November 1961,  
and (Unpublished).  
The workmen employed under it.

*Direction given by the Tribunal*

- |   |  |
|---|--|
| 1. In case of death or physical or mental disability incapacitating a workman.  | 1. Gratuity shall be paid at the rate of 10 days' wages for every completed year of service. |
| 2. On termination of service by the company after 10 years' continuous service. | 2. Gratuity shall be paid at the same rate as in (1).  |
| 3. On voluntary retirement or resignation after 15 years of service.            | 3. Gratuity shall be paid to the workman at the same rate as in (1).                         |
4. In case of dismissal for misconduct resulting in financial loss to the company, the company will be entitled to deduct from the gratuity amount a sum equivalent to the loss incurred. Payment of gratuity shall be in addition to retrenchment compensation if payable.
5. All the above amount of gratuity shall be subject to a maximum of 10 months' wages.
6. Provided further that if and when a Scheme of contributory provident fund is made applicable to this concern by the Statute no gratuity shall be payable for the period of service subsequent to the date of introduction of such scheme.

**S**

- 3 Standard Apparels Co., Ahmedabad Settlement ( No. 203 of 1959 ),  
and dated 20th June 1960.  
The workmen employed under it.

*Terms of Settlement*

- |  |   |
|--|---|
| 1. On the death of a workman while in the service of the Co. or on his becoming physically or mentally incapacitated for further service.  | 1. 15 days' basic wages per every completed year of service to be paid to him or his heirs or executors or nominees as the case may be, subject to a maximum of 15 months' basic wages. |
| 2. On voluntary retirement after 10 years' continuous service, on resignation of employee after 10 years' continuous service in the Co., or on termination of service by the Co. after 10 years' continuous service. | 2. Gratuity shall be paid on the same scale as in (1) above.  |
3. Basic wages for the purpose of this Scheme shall be calculated, on the basis of the wages drawn by the worker on the flat rate of basic wages excluding any earning on the production incentive Scheme in respect of the old

workers. In respect of new workers who are to be taken on production incentive Scheme it shall be the minimum total wages payable under the incentive Scheme.

4. For the purpose of reckoning continuous service, breaks in service not exceeding two months shall be condoned but the period or periods of such breaks shall not be included in calculating the number of years of continuous service. Breaks in service of more than two months will be considered as new service.

5. Gratuity will not be payable to any workman who is dismissed or discharged by the company for misconduct.

### Industry : Pottery

Sr. No.	Name of the concern	Reference
<b>S</b>		
1	Swastik Tiles Co., Ahmedabad <i>versus</i> The workmen employed under it.	(IT) No. 109 of 1957, Award, dated 31st October 1957, ( Unpublished ).

#### *Direction given by the Tribunal*

- |   |  |
|---|--|
| <p>1. On the death of an employee while in the service of the concern or on his disability to continue further in service.</p> <p>2. On voluntary retirement or resignation of a workman after 15 years' continuous service in the Co.</p> <p>3. Gratuity will not be paid to any employee who is dismissed for misconduct.</p> <p>4. Wages or salary for the purpose of calculating gratuity shall mean the total wages inclusive of allowance of an employee on the date the employee ceased to be in the employment of the company.</p> <p>5. The Company at their discretion may grant gratuity in excess of the above.</p> | <p>1. One-fourth months' wages or salary for each year of service, subject to a maximum of 4 months' wages or salary to be paid to the disabled workman or in the event of his death to be paid to his heirs, executors or legal representatives.</p> <p>2. 4 months' wages or salary.</p> |
|---|--|

### Industry : Cement

Sr. No.	Name of the concern	Reference
<b>A</b>		
1	Associated Cement Company, Sevalia and The workmen employed under it.	Award in Ref. (IT) No. 30 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 19th March 1953, p. 644.

#### *Direction given by the Tribunal*

It appears that a Scheme of Gratuity is already there. The Scheme with some modifications in the same should serve the purpose. The proper word in the item No. 2 of cl. I should be " Discharge on grounds of reduction in staff "

instead of "dismissal" where services are terminated by the company itself on grounds of retrenchment or reduction in staff. Then in the same item instead of the words "resignation with proper notice on good and sufficient grounds" the company may also add the words "or retirement" so that the same may read resignation or retirement with proper notice on "good and sufficient grounds". Then the usual practice is to take into account the average basic salary received during the twelve months prior to the termination of the service exclusive of all allowances and the company should do the same by such alteration or revision in the rules as may be found necessary.

- 2 Associated Cement Companies Ltd., Dwarka  
*versus*  
 The workmen employed under it.
- Decision, dated 24th September 1953, in respect of Appeals (Bom.) No. 8 of 1953, and 25 of 1953 before Labour Appellate Tribunal published in ICR of 1954 at page 1205.

*Direction given by the Tribunal*

So far as gratuity is concerned what is stated and directed in the Sevalia Cement Co.'s decision which has been already pronounced should be taken as applicable to the Dwarka Factory also.

**I**

- 3 Indian Hume Pipe Co. Ltd., Ahmedabad  
 and  
 The workmen employed under it.
- Settlement ( No. 19 of 1957 ), dated 4th December 1957.

*Terms of Settlement*

- |   |   |
|---|---|
| 1. On the death of an employee ( monthly rated ) while in the service of the company or on his becoming physically or mentally incapable for further service. | 1. Half a month's salary or wages for each year of continuous service to be paid to the disabled employee or if he has died to his heirs or legal representatives or assignees. |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service.  | 2. Half a month's wages or salary for each completed year of continuous service.  |
| 3. On termination of service by the company in cases not covered by retrenchment under I. D. Act.   | 3. Half a month's salary or wages for each completed year of service.   |

4. Gratuity shall not be payable to any employee who is dismissed for gross misconduct.

5. Salary or wages for the purpose of calculating gratuity shall be the average of the last salary or wages exclusive of dearness allowance or other allowances drawn for the 12 months previous to death, disability, retirement or resignation or termination as the case may be.

6. In case covered by retrenchment provisions of I. D. Act, 1947, the employee will get retrenchment compensation as provided in that Act and in such case he will not be entitled to any gratuity.



- 4 Indian Hume Pipe Co. Ltd., Surat Settlement ( No. 163 of 1960 ),  
and dated 11th August 1961.  
The workmen employed under it.

*Terms of Settlement*

- |   |   |
|---|---|
| 1. On the death of a workman while in the service of the company or on his becoming physically or mentally incapable for further service. | 1. Half a month's basic salary or wages for each year of continuous service to be paid to the disabled workman or if he has died to his heirs or legal representatives. |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service.  | 2. Half a month's basic salary or wages for each year of continuous service.  |
| 3. On termination of service by the company, after 15 years' continuous service.  | 3. Half a month's basic salary or wages for each year of continuous service.  |

4. The following conditions shall govern the grant of gratuity :—

(a) Gratuity shall not be payable to any workman who is dismissed for misconduct.

(b) Continuous service means service, which is not broken by any termination of service, by discharge, dismissal, resignation, abandoning of service, etc.

(c) Salary or wages for the purpose of calculating gratuity shall be the average of the last salary or wages exclusive of dearness allowance and other allowances, drawn for the 12 months previous to death, disability, retirement, resignation or termination of service as the case may be.

5. No gratuity shall be payable to workmen who get retrenchment compensation under the Industrial Disputes Act, 1947.

- 5 Indian Hume Pipe Co. Ltd., Baroda Settlement ( No. 147 of 1958 ),  
and dated 6th February 1959.  
The workmen employed under it.

*Terms of Settlement*

- |   |  |
|---|--|
| 1. On the death of a workman while in the service of the company or on his becoming physically or mentally incapable for further service. | 1. Half a month's basic salary or wages for each year of continuous service to be paid to the disabled employee or if he has died to his heirs or legal representatives. |
| 2. On voluntary retirement or resignation of an employee after 15 years' continuous service.  | 2. Half a month's salary or wages for each year of continuous service.   |

3. Gratuity shall not be payable to any employee who is dismissed for gross misconduct.

4. Salary or wages for the purpose of calculating the gratuity shall be the average of the last salary or wages exclusive of dearness allowance and other allowances drawn for the 12 months previous to death, disability, retirement or resignation as the case may be.

6 Indian Hume Pipe Co. Ltd., Baroda Settlement ( No. 90 of 1953 ),  
and dated 24th December 1953.

The workmen employed under it.

#### *Terms of Settlement*

1. Those workmen who have been retrenched on account of the closure for want of work for the period from 2nd October 1953 to 8th November 1953, shall be paid in addition to the notice wages and the leave wages already paid to them, gratuity on the following basis:—

(i) Each retrenched workman shall be paid half a month's basic wages *i.e.* wages exclusive of dearness allowance and other allowances for every completed year of service.

(ii) Amount of wages payable under clause (i) above shall be calculated at the daily rate of the worker at the time of his retrenchment.

(iii) No other compensation of any sort shall be claimed by the workmen nor shall it be payable to them.

#### **S**

7 The Spun Pipe and Construction Co. Reference (IT) No. 117 of 1957,  
( Baroda ) Ltd., Ahmedabad *Bombay Government Gazette*,  
Branch Part I-L, dated 20th March  
*versus* 1958, P. 1366.

The workmen employed under it.

#### *Award given by the Tribunal in terms of agreement*

The management agreed to pay gratuity to the workman who has completed five years' continuous service on the following conditions:—

(a) Every workman who completes the age of fifty-five shall retire compulsorily and on such retirement he shall be paid gratuity at the rate of 20 days' emoluments for every completed year of service. This does not debar the management from retaining any useful workman if he is willing to continue.

(b) Any workman who has completed five years' qualifying service and who becomes disabled and unfit for further work shall be paid a gratuity at the above rates on his procuring a certificate from any of three doctors named below :—

(1) The Civil Surgeon, Ahmedabad, (2) The Dean or the highest authority by whatever name he may be called of the Vadilal Hospital,

Ellisbridge, Ahmedabad, (3) The Dean or the highest authority by whatever designation he may be called of the Gordhandas Hospital, Maninagar, Ahmedabad.

Such a worker shall be debarred from working in any pipe manufacturing concern and if he is found to do so he shall refund the gratuity paid to him on this account and the Union shall be responsible for such a refund.

(c) The gratuity payable at 20 days as per both clauses (a) and (b) shall get reduced to 15 days per year as soon as the Provident Fund Scheme of any type or form is introduced for the workers of this concern and the disablement liability for gratuity shall be replaced by the Insurance Scheme when applied by the Government to this concern if it covers the disability provided by this clause.

8 Spun Pipe and Construction Co. Settlement ( No. 32 of 1959 ),  
Private Limited, Baroda dated 26th April 1960.

and

The workmen employed under it.

#### *Terms of Settlement*

1. Every workman who completes the age of 55 shall retire compulsorily and on such a retirement shall be paid gratuity.
1. At the rate of 20 days' emoluments for every completed year of service. This does not debar the management from retaining any useful workman if he is willing to continue.
2. Any workman who has completed 5 years' qualifying service and who becomes disabled and unfit for further work shall be paid gratuity.
2. At the above rate on his procuring a certificate from any of the following doctors named below :—
  - (1) Civil Surgeon, Baroda Civil Hospital.
  - (2) Government Medical Officer.
  - (3) Any other Medical Practitioner who is an honorary physician at Civil Hospital, Baroda.
3. Such a worker shall be debarred from working in any pipe manufacturing concern and if he is found to do so he shall refund the gratuity paid to him on this account and the Union shall be responsible for such a refund.
4. The gratuity payable at 20 days' emoluments per year under both clauses (a) and (b) shall get reduced to 15 days per year as soon as the Provident Fund Scheme of any type or form is introduced for the workers of this concern and the disablement liability for gratuity shall be replaced by the Insurance Scheme when applied by the Government to this concern if it covers the disability provided by the clause.

**APPENDIX XII**  
**SOME IMPORTANT ALLOWANCES**

Sr. No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
<b>ACTING ALLOWANCE</b>					
<b>INDUSTRY : CHEMICAL</b>					
1	Dhrangadhra Chemical Works	.. .. Workmen	Dhrangadhra	<p>If a worker is required to work in higher class than his class then for such period he will be paid as acting allowance out of the following whichever amount is larger :—</p> <p>1. The amount equal to the difference between the minimum rate of wages of the grade of the class in which he is required to work and his existing wage. As. Ps.</p> <p>2. For the work of the first class .. 4— 0</p> <p>For the work of the second class .. 3— 6</p> <p>For the work of the third class .. 3— 0</p> <p>For the work of the fourth class .. 2— 6</p> <p>For the work of the fifth class .. 2— 0</p> <p>Acting allowance will be considered as wages for all purposes.</p>	<p>L. A. T. Appeal (Bom.) Nos. 240 and 249 of 1954, <i>Bombay Government Gazette</i>, Part I-L, dated 10th January, 1957 P. 260. (Against Award in ADJ No. 16 of 1952).</p>
2	Dhrangadhra Chemical Works	.. .. Clerical staff	Dhrangadhra	<p>When any member of the clerical staff is required to act in a higher post for a period of 15 days or more, he should be paid an acting allowance calculated at the rate of 50 per cent. of the difference between his own salary and the salary of the person for whom he acts.</p>	Settlement, dated 25th August 1955.
3	Suhrid Geigy Limited	.. .. Unskilled	Baroda	<p>An allowance of Rs. 5 or Rs. 10 p. m. will be paid to such of the workmen of unskilled category who are called upon to perform work of semi-skilled 'A' or 'B' categories respectively. This will be treated as a temporary allowance and will be payable only for such time they are required to perform that work. If such workmen are continuously required to work for these categories for more than a period of twelve months, this allowance will merge in their salary which will be fitted in the appropriate step in the relevant grade.</p>	Settlement, dated 6th December 1961.
<b>INDUSTRY : LOCAL AUTHORITIES</b>					
1	Dhrangadhra Municipality	.. .. Workmen	Dhrangadhra	<p>An employee who acts on a higher post shall be paid the minimum pay (including allowances) of the higher post when an employee of a lower category is directed to hold the charge of that post for more than 15 days.</p>	(IT) No. 1 of 1960, <i>Gujarat Government Gazette</i> , Part I-L, dated 24th November 1960, P. 880.

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INDUSTRY : POTTERIES							
1	Parshuram Pottery Works	..	All the workmen of 3 factories.	Thangadhi, Morvi, Wankaner.	Workers required to work on higher category should be paid the wages of the category in which they have worked.	(IT) No. 46 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 10th January 1957, P. 232.	
2	Parshuram Pottery Works	..	Workmen	Dhrangadhun	If a workman, whether daily rated or monthly rated is required to act on a higher job carrying higher wages for 6 days or more he shall be paid the difference between his wage and the minimum of the wage of the job on which he has acted. In case his wage is higher than the minimum of the wage scale of the job on which he has acted, he shall be paid the wage which is higher than his wage but is not more than the next graded step in the wage scale of the job on which he has acted. In case a daily rated workman is required to act on a piece-rated job, he shall be paid at the piece rate of that job irrespective of the period for which he has acted.	ADJ. No. 18 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 27th November 1958, P. 5838.	
3	Vasuki Carborandun Works	..	Workmen	Thangadhi	The management may, for its convenience, post a workman of the lower category to do the work of a higher category and in that case it is but reasonable that he should be paid the wages of the higher post.	(IT) No. 18 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 25th September 1958, P. 4580.	
INDUSTRY : CEMENT							
1	Associated Cement Co., Ltd.	..	Workmen	Porbandar	"If an employee is asked to perform the work of a higher grade for more than 14 days, he should be paid an acting allowance; when an employee acts in a higher appointment, he takes the minimum of the higher scale for the period of acting; but, if his present pay is higher than such minimum of the higher grade then he takes his present pay plus one stage in the higher grade". For such acting period of 13 days or less, no acting allowance will be payable. For such acting for 14 days or more, an allowance will be payable from the 1st day of such acting. This ruling will apply only to staff drawing Rs. 300 per month and below.	ADJ. No. 15 of 1952, S. G. G. Part-V, Page 220, dated 25th February 1953.	
2	Associated Cement Co., Ltd.	..	Daily rated and monthly rated workmen.	Dwarka	Whenever the Company appoints any of its daily rated workers to officiate in a higher grade it shall pay him the minimum of the higher grade in which the vacancy has occurred. If his present wage is higher than the minimum wage of the higher grade, then he shall be paid his present wage plus one stage in the higher grade. Similarly, if a monthly rated worker is appointed to work in a higher grade for a period of more than 14 days he shall be paid the minimum of higher grade in which he is called upon to act and if his present pay is higher than the minimum of higher grade, he shall be paid his present pay plus one stage in higher grade.	(IT) No. 21 of 1956, <i>Bombay Government Gazette</i> , Part I-L, dated 3rd January, 1957, P. 53, and Reference (IT) No. 67 of 1958 <i>Bombay Government Gazette</i> , Part I-L, dated 20th November 1958, page 5681.	

## APPENDIX XII-contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
3	Associated Cement Co., Ltd.	Workmen (daily rated)	Savalia	When a daily rated workman acts in a higher appointment he takes the minimum of the higher scale for the period he so acts. In case of a Fireman acting as a Loco-Driver, he will be given a job allowance of Annas 10 per day.	Settlement, dated 22nd May 1956.
<b>HOUSE RENT ALLOWANCE</b>					
<b>INDUSTRY : CHEMICAL</b>					
1	Suhrid Geigy Limited	Watchmen	Baroda	It has been agreed that the Company shall pay 10 per cent of basic wages and D.A. with a maximum of Rs. 7 per month towards the house rent allowance to such watchmen who do not have their own house in Baroda or to whom the Company is not able to provide quarters. This allowance will be automatically withdrawn from the time the Company provides quarters in each individual case.	Settlement, dated 6th December 1961.
<b>INDUSTRY : LOCAL AUTHORITIES</b>					
1	Ankleshwar Municipality	Safai Kamdars	Ankleshwar	The Ankleshwar Municipality shall pay to the Safai Kamdars employed under it, a house rent allowance of Rs. 4 p.m. to one who is the only member serving under the municipality from his family and in the case of two or more members of the same family employed under the municipality, the municipality shall pay Rs. 3 per month to the head of the family and Rs. 2 per month to each of the subordinate members of the family.	Award (IT) 342 of 1958, dated 28th March 1959, (Unpublished).
2	Balasinor Municipality	Safai Kamdars	Balasinor	The Municipality shall pay Rs. 1 per month to those Safai Kamdars who have to pay that amount to the society as from 1st June 1958. Arrears shall be paid within two months of the date of this award. If any Safai Kamdar is not provided with quarters by the society, the municipality shall pay him the house rent allowance recommended by the Barve Committee.	Award in Reference (IT) No. 386 of 1958, dated 14th February 1959, (Unpublished).

3	Bhavnagar Borough Municipality	..	Workmen other than the Sweepers and Scavengers.	Bhavnagar	House rent allowance shall be paid to such employees as under:  Rs. 5 upto salary of Rs. 45 per month. Rs. 7 " " 100 per month. Rs. 10 " " 200 per month. and 5 percent on the salary above Rs. 200 per month.  All the members of the office staff shall be paid house rent allowance at the rate of Rs. 2 per month with effect from 1st October 1959.	ADJ. No. 2 of 1955, 17th June 1956, S.G.G., Part-V, Page, 1034.
4	Broach Borough Municipality	-	Office Staff members.	Broach		Settlement, (No. 140 of 1959) dated 10th February 1960.
5	Chanasma Municipality	..	Safai Kamdars	Chanasma	This being district municipality according to the recommendation of the Barve Committee, Safai Kamdars are entitled to house rent allowance at the rate of Rs. 4 per month. The other members of the family who are in the employment of the municipality and are occupying the same quarters should be paid at the rate of Rs. 2 per month. The house rent allowance at the above rate shall be paid to all the Safai Kamdars from 1st July 1958.	(IT) No. 4 of 1958, Award dated 21st November 1958, (Unpublished).
6	Chhotaudepur Municipality	-	Safai Kamdars	Chhotaudepur	The Municipality should pay house rent allowance to the safai kamdars working in the municipality at the rate of Rs. 2 per month to a head of the family and Re. 1 per month to other members of the family with effect from 1st April 1959.	Settlement, (No. 41 of 1959) dated 20th January 1960.
7	Dabhoi Municipality	-	Safai Kamdars	Dabhoi	House rent allowance at the rate of Rs. 3 per month shall be paid to the head of the family under the same roof and Re. 1 per month to other members of the family of safai kamdars, who are in employment of the municipality.	Settlement, (No. 17 of 1959) dated 11th April 1960.
8	Dehgam Municipality	..	Safai Kamdars	Dehgam	The Municipality shall pay to its Safai Kamdars from 1st September 1958, house rent allowance of Rs. 4 per month to the head of the family and Rs. 2 per month to a member of the family in the employment of the municipality.	(IT) No. 355 of 1958, Award, dated 3rd December 1958 (Unpublished).
9	Dohad Municipality	..	Scavengers and Sweepers.	Dohad	House rent allowance should be given to all the Scavengers and Sweepers who have not been provided with housing accommodation by the municipality at the rate of Rs. 4 p. m. to head of the family and Rs. 2 p. m. to each of the other members of the family in employ of the municipality from 1st January 1961.	Ref. (IT) No. 4 of 1960, Gujarat Government Gazette, Part I-I, dated 14th September 1961, Page 2069.

APPENDIX XII—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
10	Dwarka Municipality .. ..	.. Safai Kamdars	Dwarka	The Municipality shall pay house rent allowance of Rs. 2 p.m. to those Sweepers and Mukadams who are occupying municipal quarters or Government quarters. Such rent shall be paid only to an employee who is the head of the family in case the other employees are living with him. The other employees who are living with the head of the family shall be paid at the rate of Re. 1 p. m. Those who are occupying municipal quarters shall not be entitled to House rent allowance and those who are occupying Government quarters shall be entitled to rent actually paid by them to Government.	Ref. (IT) No. 50 of 1958 Award, dated 6th October 1958. (Unpublished).
11	Dhoraji Municipality .. ..	.. Conservancy Staff.	Dhoraji	Those Scavengers and Sweepers who are living in their own houses or in rented houses should be paid house rent allowance at the rate of Rs. 3 p. m. Only those employees who have built or acquired their houses without any grant or help from the municipality would be entitled to the House rent allowance of Rs. 3 p. m.	Ref. (IT) No. 79 of 1955, Bombay Government Gazette, Part I-L, dated 30th October 1958, P. 5263.
12	Dholka Municipality .. ..	.. Scavengers and Sweepers.	Dholka	House rent allowance at the rate of Rs. 1-8-0 p. m. shall be paid to the Scavengers and Sweepers occupying the houses built with the aid of the Government and the municipality. Head of the family shall be paid at this rate. The other members of the family shall not be entitled to House rent allowance.	Ref. (IT) No. 49 of 1958, Bombay Government Gazette, Part I-L, dated 23rd October 1958, Page 5119.
13	Gondal Municipality .. ..	.. Sweepers and Scavengers	Gondal	Municipality shall pay house rent allowance at the rate of Rs. 3 p. m. to the Sweepers and Scavengers from the date this Award comes into force (i. e. 17th October 1960).	Ref. (IT) No. 11 of 1960, Gujarat Government Gazette, Part I-L, dated 24th November 1960, Page 859.



14	Himatnagar Municipality	..	Safai Kamdars	Himatnagar	The Himatnagar Municipality agrees to give a House rent allowance to all its Safai Kamdars at the rate of Rs. 4 p. m. to the head of the family and Rs. 2 p. m. to other members of the family in employment of municipality from 1st April 1957.	Award (IT) No. 51 of 1957, dated 15th November 1957. (Unpublished).
15	Jafrabad Municipality	..	All Safai Kamdars	Jafrabad	The municipality shall pay House rent allowance at the rate of Rs. 2 p. m. to all its Harijan Sweepers and other members of the conservancy staff. If any employee lives in the same house with another employee, he will not be entitled to this House rent allowance. The House rent allowance at this rate shall be paid from 1st April 1958.	Ref (IT) No. 44 of 1958, Award dated 27th October 1958 (Unpublished).
16	Jamkandorana Municipality	..	Safai Kamdars	Jamkandorana	House rent allowance of Re. 1 will be paid to all Safai Kamdars from 1st April 1962.	Settlement, dated 7th September 1961.
17	Jetpur City Municipality	..	Safai Kamdars	Jetpur	The Sweepers shall be paid House rent allowance of Rs. 2 p. m. from 1st January 1959 and the arrears shall be paid to them within two months from the date of publication of this Award. Only one member of the family shall be paid this allowance in case more than one are in the service of the municipality.	Ref. (IT) No. 13 of 1959, dated 8th May 1959 (Unpublished).
18	Jamnagar Borough Municipality	..	Workmen	Jamnagar	Rs. 5 per month to those Safai Kamdars who have not been provided with free quarters.	Settlement, dated 9th June 1958.
19	Kapadvanj Municipality	..	Safai Kamdars	Kapadvanj	The municipality agrees to pay Rs. 4 p. m. and Rs. 2 p. m. to the head of the family and to other members of the family staying jointly, respectively, who work as Safai Kamdars in the said municipality.	Award in Ref. (IT) No. 184 of 1958, dated 1st January 1959, (Unpublished).
20	Kadi Municipality	..	All Kamdars	Kadi	The House rent allowance at the rate of Rs. 2 p. m. should be paid to each of the Kamdars from the date the Mills pay full octroi to the municipality.	Settlement, (No. 183 of 1954), dated 25th September 1954.
21	Kheralu Municipality	..	Conservancy Department (Safai Kamdars)	Kheralu	The Municipality shall pay House rent allowance at the rate of Rs. 4 p. m. to the head of the family and Rs. 2 p. m. to the other members of the family in the employment of the municipality in the Conservancy Department.	Ref. (IT) No. 177 of 1956. <i>Bombay Government Gazette</i> , Part I-L, dated 7th February 1957, Page 709.
22	Lathi Municipality	..	Safai Kamdars	Lathi	The quarters will be constructed and provided to all Safai Kamdars within one and a half years. If quarters will not be provided within this period then the House rent allowance as recommended by Vyas Review Samiti will be paid.	Ref. (IT) No. 26 of 1959, Award, dated 7th August 1959 (Unpublished).

APPENDIX XI—contd.

Sr. No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
23	Lunawada Municipality ..	.. Safai Kamdars	Lunawada	The municipality shall pay as house rent allowance at the rate of Rs. 2-50 nPs. p. m. to a head of the family working as Safai kamdar and Rs. 1-25 nPs. p. m. to the other members working as Safai kamdars of the same family with effect from 1st August 1959 and that the rate of house rent allowance for a head of family working as Safai kamdar and other members of the same family working as Safai kamdar shall be brought to Rs. 4 p. m. and Rs. 2 p. m. respectively with effect from 1st April 1961.	Ref. (IT) No. 310 and 333 of 1958. Award, dated 14th May 1959 (Unpublished).
24	Mehmedabad Municipality	.. Safai Kamdars	Mehmedabad	The municipality shall pay Rs. 4 p. m. and Rs. 2 p. m. as house rent allowance to the head of the family and the other members of the family, respectively who work as safai kamdars in the municipality. This shall be given from 1st November 1957.	Settlement No. 25 of 1958, dated 24th April 1958.
25	Mehsana Municipality ..	.. Safai Kamdars	Mehsana	The conservancy staff shall be paid house rent allowance at the rate of Rs. 4 p. m. to the head of the family and Rs. 2 p. m. to the other members of the family in the employment of the municipality. This allowance should be paid from 1st June 1958.	Award in Ref. (IT) No. 188 of 1958, dated 8th July 1958 (Unpublished).
26	Nadiad Municipality ..	.. Safai Kamdars	Nadiad	The municipality agrees to give a house rent allowance to all its Safai kamdars at the rate of Rs. 5 p. m. to the head of the family and Rs. 2-50 nPs. p. m. to the other members of the family in employment of the same municipality with effect from 1st November 1956.  This allowance will be discontinued from the date a Harijan employee is provided with quarters by the Municipality.	Ref. (IT) No. 157 of 1957, Award dated 16th October 1957, (Unpublished).

27	Nadiad Municipality	..	..	Workmen	Nadiad	<p>(1) Employees drawing upto Rs. 50 per month as basic salary shall get house rent allowance of Rs. 5 per month.</p> <p>(2) Those employees drawing Rs. 51 to Rs. 100 per month shall be paid Rs. 6 per month.</p> <p>(3) Those drawing Rs. 101 to 150 per month shall be paid Rs. 7 per month.</p> <p>(4) Those drawing Rs. 151 to 200 per month shall be paid Rs. 8 per month.</p> <p>(5) Those drawing Rs. 201 and more shall be paid Rs. 10 per month.</p> <p>(6) The above rates of house rent allowance shall be paid with effect from 1st February 1959.</p> <p>(7) Employees who are provided quarters by the municipality will not be entitled to get this house rent allowance.</p> <p>(8) If in future the municipality increases the rate of D. A. the house rent will merge in D. A. to the extent the D. A. is increased <i>e. g.</i> If an employee gets Rs. 10 house rent allowance per month and if D. A. is increased by Rs. 5 that employee shall be eligible to present house rent allowance of Rs. 10 minus increase in D. A. Rs. 5 <i>i. e.</i> Rs. 5 as house rent allowance only.</p> <p>(9) No temporary employee except those on scheduled posts whether appointed on probation or not shall be eligible to the house rent allowance.</p>
28	Navsari Borough Municipality	..	..	All Workmen	Navsari	<p>The house rent allowance at the rate sanctioned by the resolution dated 1st January 1948 shall be continued to be paid to the employees from 1st April, 1958.</p> <p>Reference (IT) No. 48 of 1960. <i>G. G. G.</i> Part I-L, dated 18th May, 1961, P. 1122.</p>
29	Padra Municipality	..	..	Conservancy staff.	Padra	<p>The Municipality shall pay to the members of conservancy staff house rent allowance of Rs. 4 per month to the head of the family and Rs. 2 per month to a member of the family if in the employment of the municipality as from 1st December 1957.</p> <p>(IT) No. 246 of 1957, Award, dated 5th February 1958, (Unpublished).</p>

APPENDIX XII—contd.

Serial No. 1	Name of the concern 2	Type of workmen covered 3	Centre 4	Particulars 5	Reference 6
30	Prantij Municipality	.. Safai Kamdars	Prantij	All the safai kamdars will be given house rent allowance on following basis:—  The head of the family Rs. 4 per month and to other members of the family residing with him Rs. 2 per month.  The above rates of house rent allowance will be paid with effect from 1st January 1959.	(IT) No. 78 of 1958, Award, dated, 24th January 1959, (Unpublished).
31	Petlad Municipality	.. Conservancy Staff	Petlad	The Municipality will pay house rent allowance of Rs. 4 per month to the head of the family and Rs. 2 per month each to other members of the family in the employment of the municipality.	Reference (IT) No. 163 of 1956, B.G.G., Part I-L, dated 17th January 1957, Page-408.
32	Rajpipla Municipality	.. Conservancy Staff	Rajpipla	The members of the conservancy staff who are not allotted residential quarters by the municipality shall be paid as from 1st October 1958 house rent allowance of Rs. 4 per month to the head of the family and Rs. 2 per month to a member of the family in the employment of the municipality.	Award in Ref. (IT) No. 280 of 1958, B.G.G., Part I-L, dated 29th January 1959, P. 470.
33	Rander Municipality	.. Sweepers, Scavengers and Market Workers	Rander	The municipality should pay Rs. 4 per month to each head of the family and Rs. 2 p. m. to each member of the family who is in employment of the municipality, in the conservancy department, by way of house rent allowance as from 1st April 1960..	Ref. (IT) No. 195 of 1959, Award, dated 7th January 1960, (Unpublished).
34	Rajkot Borough Municipality	.. Safai Workers	Rajkot	The municipality shall pay Rs. 5 per month to every safai worker who has not been provided with free quarters.	Ref. (IT) No. 47 of 1956, B.G.G., Part I-L, dated 11th April 1957, P. 1837.
35	Surat Borough Municipality	.. Safai Kamdars	Surat	The municipality to pay the Safai Kamdars who have no Pucca or semi-pucca houses of their own or who have not been provided with housing accommodation by the municipality, house rent allowance, of Rs. 5 per month to the head of the family and Rs. 2-8-0 per month to each of the family members in employment of the municipality.	Ref. (IT) No. 46 of 1957 B.G.G., Part I-L, dated 22nd May, 1958, P. 2606.

36	Sidhpur Municipality ..	..	..	Workmen	Sidhpur	Each worker shall be paid Rs. 3 per month as house-rent allowance but in case of workers of a joint family who are in employment of the municipality, the first member shall be paid Rs. 3 per month and the rest at the rate of Re. 1 each only.	Settlement (No. 34 of 1953), dated 4th August 1953.
37	Savarkundla Municipality	..	..	Workmen	Savarkundla	The municipality agrees to give house-rent allowance at the rate of Rs. 2 per month. For the year 1960-61 provision will be made in the budget and for the year 1959-60, it agrees to pay house-rent allowance after sanction of the Collector, Bhavnagar, is obtained.	Award in Ref. (IT) No. 39 of 1959, dated 16th September 1959. (Unpublished).
38	hor Municipality	..	..	Safai Karodars	Sithor	The municipality to pay Rs. 2 per month as house-rent allowance to all the Safai Kamdars who are not occupying municipal quarters. Only one member of the family shall be paid this house-rent allowance in case more than one member of the same family are in the employment of the municipality and are occupying the same house.	Award in Ref. (IT) No. 77 of 1958, dated 21st November 1958. (Unpublished).
39	Sojitra Municipality	..	..	Conservancy Department.	Sojitra	The municipality shall pay house-rent allowance to the head of the family at Rs. 4 per month and each other member of the family shall be paid Rs. 2 per month who are in the employment of the municipality in the Conservancy Department, till the municipality builds quarters for those workmen.	Ref. (IT) No. 193 of 1956, B. G. G., Part I-L, dated 7th February 1957, Page 717.
40	Sanand Municipality	..	..	Safai Kamdars	Sanand	Every Safai Kamdar shall be paid Rs. 5 per month as house-rent allowance.	Settlement No. 1045, dated 22nd November 1954.
41	Talod Municipality	..	..	Sweepers and Scavengers.	Talod	The municipality shall pay to all its scavengers and sweepers who are not provided by the municipality with rent-free accommodation a house-rent allowance at the following rates namely :—  Rs. 4 per month to the head of the family and Rs. 2 per month to each other member of the family in the employment of the municipality.	Ref. (IT) No. 31 of 1959, B. G. G., Part I-L, dated 2nd July 1959, Page 2837.
42	Vaso Municipality	..	..	Sweepers and Scavengers.	Vaso	All the sweepers and scavengers in the employment of the municipality shall be paid Rs. 4 per month as house-rent allowance to the head of the family but if any of the other members of the family who are in the employment of the municipality are living with him, they would be entitled to house-rent allowance at the rate of Rs. 2 per month.	Ref. (IT-G) No. 8 of 1960, G. G. G., Part I-L, dated 13th April 1961, Page 641.

APPENDIX XII—contd.

Serial No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
43	Virangam Municipality ..	.. Safai Kamdars	Virangam	The municipality agrees to give a house rent allowance of Rs. 3 per month to all those Safai Kamdars who are not provided with municipal quarters provided that the private house in which more than one safai Kamdars are staying shall be considered as one unit for the purpose of payment of this house rent allowance and that Rs. 3 as house rent allowance shall be given to such unit. Where the quarters are built on the land belonging to the municipality Rs. 2-8-0 instead of Rs. 3 per month shall be given as house rent allowance per unit as mentioned above.	Agreement, dated 19th October 1959.
INDUSTRY : HOSPITAL					
1	Arvind Mills Hospital	.. Ward Boys, Aya, Hamal Mehtarani.	Ahmedabad	House rent : Regarding the ward Boys, Aya, Hamal and Mehtarani, if any of them are staying in rented quarters, house rent of Rs. 4 per month will be paid to them.	Settlement (No. 119 of 1956), dated 26th September 1956.
2	Salvation Army Emery Hospital	.. Workmen	Anand	House Rent Allowance of Rs. 5 per month shall be paid to all employees comprised in the categories mentioned in the settlement who have not been provided with free quarters.	Ref. (IT) No. 71, of 1956, B. G. G., Part I-L, dated 8th November 1956, P. 4406.
INDUSTRY : PHARMACEUTICALS					
3	Sarabhai Chemicals	.. Watchmen	Baroda	It has been agreed that the Co. shall pay 10 per cent. of basic wages and D. A. with a maximum of Rs. 7 per month towards house rent allowance to such watchmen who do not have their own house in Baroda or to whom the company is not able to provide quarters. This allowance will be automatically withdrawn from the time the company provides quarters in each individual case.	Settlement (No. 100 of 1956), dated 8th December 1956.
INDUSTRY : CEMENT					
1	Associated Cement Co. Ltd., Dwarka Cement Works	Workmen	Dwarka	Rs. 2 per month to those workers who have not been allotted free quarters by the Company.	Agreement, dated 28th May 1958.

**HOLIDAY WORK ALLOWANCE****INDUSTRY : ENGINEERING**

- 1 Danodardas Hintalal Iron and Brass Factory      Workmen      Ahmedabad      If the workman is called for work on the days which have been declared as paid holidays he shall be paid wages at double the normal rate      Settlement (No. 20 of 1957), dated 17th September 1957.

**INDUSTRY : LOCAL AUTHORITIES**

- 1 Upleta Municipality      ..      Naka Karkuns      Upleta      Municipality shall make payment at overtime rate for working on weekly off days.      (IT) No. 30 of 1950, B. G. G., Part I-L, dated 8th August 1957, P. 3433.

**INDUSTRY : PRINTING PRESS**

- 1 Sandesh Limited      ..      Workmen      Ahmedabad      If any workman is not granted the benefit of paid holidays and is called on any holiday : besides substituted holidays, he shall be paid at double the rate.      Ref. (IT) No. 60 of 1959, G. G. G., Part I-L, dated 27th October 1960, Page 570.

**INDUSTRY : CEMENT**

- 1 Vavck Cement Pipe and Concrete Works      Workmen      Ahmedabad      If any workman is required to work on paid holiday, he or she shall be paid at twice the normal rate, for working on that day, irrespective of whether or not he or she is granted an off in lieu thereof.      Settlement (No. 170 of 1959), dated 1st April 1960.

- 2 Indian Hume Pipe Co. Ltd.,      ..      Watchmen      Baroda      If a watchman is made to work on the four paid holidays (granted to the daily rated workmen) he shall be paid one day's extra wages. The watchman shall not be entitled to any other holidays except the weekly holidays or extra pay for work on any day on which the factory remains closed.      Settlement (No. 147 of 1958), dated 6th February 1959.

**OVERTIME ALLOWANCE****INDUSTRY : CHEMICALS**

- 1 Dhrangadhra Chemical Works Ltd.      ..      Water Truck Drivers, Motor Drivers.      Dhrangadhra      Water Truck Driver shall be paid overtime at the rate of double the wages if he is required to work more than 8 hours in a day. If the Motor Drivers are required to work more than 10½ hours in a day they shall be paid overtime at the rate of double their wages.      Adj. No. 16 of 1952, S. G. G., Part V, 25th September 1954, P. 1670.

**INDUSTRY : OIL**

- 1 Kaira District Co-operative Milk Producers' Union.      Workmen      Gand      Wages for overtime shall be paid at double the rate including D. A. to workers for working more than eight hours a day or on holidays.      Settlement (No. 27 of 1953), dated 14th May 1953.
- 2 Do.      ..      ..      Over time shall be paid according to law.      Settlement, (No. 247 of 1960), dated 28th February 1961.

APPENDIX XII—*contd.*

Serial No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
INDUSTRY : SALT					
1	Halar Salt & Chemical Works	.. .. Workmen	Jamnagar	The workers who are card holders in the Company will be paid overtime for working more than 8 hours, as per Factories Act.	Agreement, dated 25th March 1958.
2	Jay Laxmi Salt Works Pvt. Ltd.	.. .. "	"	The management will maintain overtime register and the workers who are required to work overtime shall be paid overtime at the rate of double wages as per the Act.	Settlement, dated 15th October 1956.
INDUSTRY : LOCAL AUTHORITY					
1	Baroda Borough Municipality	.. .. All workers of Water Works Department.	Baroda	Whoever in the water works department works overtime, should be paid wages at double the rate. The Municipality is at liberty to put a stop to its practice of giving rest the following day, since the workmen who had worked overtime in the past have already enjoyed rest.	(IT) No. 317 of 1958, B. G. G., Part I-I, dated 10th December 1953, P. 5386.
2	Broach Borough Municipality	.. .. All workmen	Broach	Overtime shall be at the rate of one-and-halves times the rate of basic salary. Every additional time of work exceeding half an hour shall be taken as full hour provided the overtime is for thirty minutes or more.	Settlement, dated 24th December 1953.
3	Dohad Municipality	.. .. Staff of Maternity Home.	Dohad	The members of staff working in the Maternity Home, who have worked overtime shall be paid at double the rate of their ordinary pay inclusive of D. A.	Settlement, dated 19th June 1959.
4	Dhrangadhra Municipality	.. .. All workmen	Dhrangadhra	Overtime will be paid according to the Minimum Wages Act, 1948.	Settlement, dated 14th March 1957.
5	Petlad Municipality	.. .. Pagis	Petlad	If any of the pagis is required to do overtime work, he shall be paid double the wages for such overtime work.	Settlement, dated 3rd May 1955. (No. 147 of 1955).
6	Sanand Municipality	.. .. All workmen	Sanand	In case of overtime work, workmen shall be paid at double the rate including all allowances.	Settlement, dated 22nd November 1954.
7	Upleta Municipality	.. .. "	Upleta	If work is taken for more than 8 hours, single wages for first one hour's work and double wages for rest of the period as per the Rule 25 of the Saurashtra Minimum Wages Rules 1951, will be paid as overtime wages.	Settlement, dated 18th November 1955.



## INDUSTRY : HOSPITAL

1	Arvind Mills Hospital	..	..	Workmen	Ahmedabad	If any member of the staff is employed overtime by the order of the Chief Medical Officer or any person officiating in that post, the payment of overtime will be made at the rate of one and a-half times the wages inclusive of D. A. but of no other allowances whatsoever.	Settlement dated 28th September 1956, (No. 119 of 1956).
2	Gulabbai General Hospital	..	..	..	..	Workers shall be paid overtime at double the rate of their wages.	Settlement, dated 18th April 1960, (No. 37 of 1960).
3	Maha Gujarat Hospital	..	..	..	Nadiad	The employees who are required to work more than 8 hours a day shall be paid overtime at double the rate of consolidated salary. Excess upto fifteen minutes over eight hours will not be counted as overtime.	(IT) No. 299 of 1958, Award dated 9th April 1959. (Unpublished).
4	Methodist Hospital	..	..	..	..	Workers who are required to work for more than 8 hours a day shall be paid overtime at double the rate of salary including D. A. Excess upto 15 minutes over 8 hours will not be counted as overtime.	Settlement dated 13th April 1956, (No. 254 of 1955).

## INDUSTRY : GLASS

1 Alembic Glass Industries

.. .. Staff members (other than peons and perawalas).

(IT) No. 73 of 1960, Gujarat Government Gazette, Part I-L, dated 12th October 1961, P. 2383.

## INDUSTRY : RUBBER

1 Gujarat Rubber Works Ltd.

.. .. All workmen

Settlement, dated 9th February 1956, (No. 79 of 1956).

## INDUSTRY : FILM

1 Krishna Talkies  
2 Moti Talkies  
3 Mohan Talkies  
4 New Laxmi Talkies  
5 New Super Talkies  
6 Prakash Talkies  
7 Vasant Talkies

.. .. Workmen

Settlement, dated 30th January 1960.

## INDUSTRY : STONE BREAKING AND STONE CRUSHING

1 Botad Quarry Works

.. .. Drivers and cleaners

Overtime should be paid at the rate of double the wages.

Settlement, dated 11th January 1956.

## APPENDIX XII—contd.

Serial No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
INDUSTRY : CEMENT					
1	Associated Cement Companies Ltd ...	.. Workmen	Dwarka	One and half times the basic wage and half the daily D. A. should be given as overtime for work done on festival holidays to the monthly paid staff.	Labour Appellate Tribunal's decision, dated 24th September 1953, Appeals (Bom.) No. 8 and 25 of 1953, I. C. R. 1954, page 1205.
2	Shree Digvijay Cement Co.	.. Clerks and members of the staff	Sikka	As per Factories Act, 1948.	Agreement, dated 24th March 1956.
INDUSTRY : LOCAL AUTHORITY					
1	Ankleshwar Municipality	.. Scavengers	Ankleshwar	Scavengers who clean public latrines should be paid Rs. 2 per month as unclean work allowance.	Ref. (IT) No. 151 of 1956, Bombay Government Gazette, Part I-L, dated 28th March 1957, P. 1728.
2	Baroda Borough Municipality	.. Safai kamdars	Baroda	Unclean and gas allowance shall be paid at Rs. 4 p. m. instead of Rs. 3.	Settlement, No. 20 of 1958, dated 15th April 1959.
3	Balasnor Municipality ..	.. Safai kamdars	Balasnor	Safai Kamdars who have to attend to the work of removing night soil shall be paid an unclean work allowance of Rs. 3 per month.	Award Ref. (IT) No. 150 of 1953, Bombay Government Gazette, Part I-L, dated 27th May 1954, P. 1323.
4	Chanasma Municipality ..	.. Sweepers	Chanasma	The three sweepers of this municipality who are attending to the removal of night soil shall be paid an unclean work allowance of Rs. 3 per month.	Award Ref. (IT) No. 103 of 1953, Bombay Government Gazette, Part I-L, dated 4th March 1954, P. 460.
5	Dehgam Municipality ..	.. Safai Kamdars	Dehgam	The municipality is paying unclean work allowance at the rate of Rs. 3 p. m. to Safai Kamdars handling night soil.	Settlement, dated April 1960.

6	Dabhoi Municipality	..	..	Safai Kamdars	Dabhoi	Unclean work allowance at the rate of Rs. 2 per month shall be given to Safai Kamdars doing Scavenging work including permanent safai workers on compost department.	Settlement (No. 17 of 1959), dated 11th April 1960.
7	Dohad Municipality	..	..	Scavengers	Dohad	The municipality shall pay unclean work allowance of Rs. 3 p.m. with effect from 1st April 1959, to all scavengers.	Settlement (No. 45 of 1959), dated 19th June 1959.
8	Dhinoj Municipality	..	..	Safai Kamdars	Dhinoj	Unclean work allowance at the rate of Rs. 3 per month will be given to those workers who do the work of removing night soil in addition to the pay and D. A.	Ref. (IT) No. 30 of 1954, Bombay Government Gazette, Part I-L, dated 13th May 1954, P. 1100.
9	Gondal Municipality	..	..	(Certain number of Scavengers).	Gondal	Unclean work allowance at the rate of Rs. 5 per month shall be paid to those Scavengers who are doing solely the work of removing the night soil either from the latrines or from the night soil trucks or cart. This allowance shall be paid from the date of publication of this Award i. e. from 24th November 1960.	(IT) No. 11 of 1960, Bombay Government Gazette, Part I-L, dated 24th November 1960, P. 861.
10	Godhra Municipality	..	..	Safai Kamdars	Godhra	Every kamdar doing the work of removing night soil shall be paid Rs. 4 p. m. as unclean work allowance with effect from 1st April 1954.	Ref. (IT) No. 142 of 1953, Bombay Government Gazette, Part I-L, dated 15th July 1954, P. 1783.
11	Gandevi Municipality	-	..	Scavengers	Gandevi	Unclean work allowance of Rs. 3 per month will be given to 18 Scavengers from 1st May 1950.	Settlement, (No. 154 of 1960), dated 16th October 1961.
12	Jamnagar Borough Municipality	..	..	(i) Workers cleaning latrines. (ii) Workers removing night soil and sweeping.	Jamnagar	Rs. 5 p. m. Rs. 3 p. m.	Settlement, dated 9th June 1958.
13	Jetpur Municipality	..	..	do.	Jetpur	As per recommendations of Vyas Review Samiti.	Settlement, dated 29th July 1957.
14	Kalol Municipality	..	..	Night soil workers.	Kalol	The night soil workers shall be paid Rs. 2 as unclean work allowance every month in addition to their salaries.	Award Ref. (IT) No. 10 of 1954, Bombay Government Gazette, Part I-L, dated 3rd June 1954, P. 1391.
15	Kadi Municipality	-	..	do.	Kadi	The night soil workers shall be paid Rs. 2 as unclean work allowance every month in addition to their salary on condition that they should wash latrines in their charge atleast thrice a month provided the owners arrange for water. Each will be given a pair of gloves for hands.	Settlement, (No. 183 of 1954,) dated 25th September 1954.

APPENDIX XII—contd.

Serial No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6
16	Kheralu Municipality ..	.. Sweepers	Kheralu	The sweepers who are at present doing or who will hereafter be asked to do the work of removal of night soil shall be paid unclean work allowance of Rs. 3 p. m.	Ref. (IT) No. 146 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 3rd June 1954, P. 1385.
17	Lunawada Municipality ..	.. Safai Kamdars	Lunawada	Scavengers i. e. those who attend to the removal and disposal of night soil shall be paid an unclean work allowance of Rs. 3 p. m.	Ref. (IT) No. 39 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 16th July 1953, P. 1600.
18	Lathi Municipality ..	.. Safai Workers	Lathi	All the Safai workers who are at present doing the work of removal of night soil shall be paid unclean work allowance as per the recommendations of the Vyas Review Samiti, from 1st April 1959.	Award, Ref. (IT) No. 26 of 1959, dated 7th August 1959, (Unpublished).
19	Mehsana Municipality ..	.. Scavengers and Gutterwalas	Mehsana	The unclean work allowance of Rs. 3 per month which the municipality has started paying to its Scavengers and Gutterwalas should continue.	Award, Ref. (IT) No. 188 of 1958, dated 8th July 1958, (Unpublished).
20	Padra Municipality ..	.. Safai Workers	Padra	The municipality agreed to give Rs. 3 as unclean work allowance over and above the pay to all the Safai Kamdars who have to handle the night soil i. e. kamdars working in latrines situated in garden, kamdars working on compost on public latrines, private latrines, Khadies and to relievers working on latrines.	Settlement, (No. 50 of 1960), dated 10th December 1960.
21	Rajppla Municipality ..	.. Harijan workmen who do unclean work	Rajppla	Unclean work allowance of Rs. 3 per month should be paid to these workmen to whom that allowance is recommended by the Barve Committee. This part of award shall come into effect from 1st October 1958.	Ref. (IT) No. 280 of 1958, <i>Bombay Government Gazette</i> , Part I-L, dated 29th January, 1959, P. 470.
22	Rander Municipality ..	.. Sweepers and Scavengers and Market workers	Rander	Unclean work allowance of Rs. 3 per month should be paid to Scavengers who have to remove or carry away night-soil. It should not be paid to workers who sweep streets and open space.	Award (IT) No. 195 of 1959, dated 7th January 1960, (Unpublished).

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23	Sihor Municipality	..	..	Safai Kamdars	Sihor	As per recommendation No. 3 of Vyas Review Samiti.	Settlement, dated 8th November, 1957.
24	Sidhpur Municipality	..	..	.. Safai Kamdars	Sidhpur	Rs. 3 per month shall be paid to the conservancy workers of this municipality excepting those who sweep streets and open space.	Award (IT) No. 39 of 1959, dated 24th June 1959 (Unpublished).
25	Sanand Municipality	..	..	.. Safai Kamdars	Sanand	Safai Kamdars (both males and females) doing the work of removing night soil shall be paid an unclean work allowance of Rs. 3 per month with effect from April, 1953.	Award Ref. (IT) No. 148 of 1953, <i>Bombay Government Gazette</i> , Part I-L, dated 23rd April, 1953, P. 934.
26	Surat Municipality	..	..	.. Harijan Kamdars	Surat	Each Scavenger in the service of the municipality shall be paid an unclean work allowance of Rs. 3 per month with effect from 15th August 1952. Eleven categories of the employees in the Public Health Department as specified in the Award shall be paid an unclean work allowance of Rs. 3 per month.	(IT) No. 93 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 17th September 1953, P. 1018.

Cesspool Beldars shall be paid on the following basis :—

- Each cesspool party shall consist of three beldars including the cart driver.
- For cleaning cesspool of properties on which the municipal cesspool fee is Rs. 5 per cesspool. Each cesspool beldar of the cesspool party shall be paid at the rate of Rs. 1-15-0 per each cesspool cleaned. This type of cesspool shall be cleaned on carts only.
- For cleaning cesspools of properties on which the municipal cesspool fee is Rs. 10 per cesspool.—Each cesspool beldar of the cesspool party shall be paid at the rate of Rs. 3-14-0 for each cesspool cleaned.

This rate shall be paid when the cesspools are cleaned by manual labour without the aid of pumps. If such cesspools are cleaned with the aid of pump then each beldar shall be paid at the rate of Rs. 1-15-0 for every two such cesspools cleaned.

- For cleaning cesspools of properties on which the municipal cesspool fee is Rs. 20 per cesspool.—Each cesspool beldar of the cesspool party shall be paid at the rate of Rs. 7-12-0 for each cesspool cleaned. This rate shall apply when the cesspools are cleaned by manual labour without the aid of pumps. If such cesspools are cleaned with the aid of pumps then each beldar shall be paid at the rate of Rs. 1-15-0 for every such cesspool cleaned.

APPENDIX XII—*contd.*

Serial No.	Name of the concern	Type of workmen covered	Centre	Particulars	Reference
1	2	3	4	5	6

(e) It is further agreed between the parties that in order to provide regular employment the municipality shall provide in advance to each cesspool party every week a list of atleast 8 cesspools to be cleaned. It is also further agreed that the sullage water of the cesspools shall be collected only in the carts or Motor Lorries and no such sullage water shall be thrown on the surface.

(f) It is further agreed between the parties that each cesspool beldar, whether permanent or temporary, shall be paid an unclean work allowance of Rs. 0-1-9 per day on the day or days when he works.

Malaria Khadi Party:—It is agreed between the parties that the work on Khadis and in Bhangi Gulleys shall be distributed by rotation among the members of the Malaria Khadi Party. For days on which those of the Malaria Party work on Khadis and Bhangi Gulleys, each shall be paid an unclean work allowance of Rs. 0-1-9 per day.

Sweepers in Bhangi Gulleys shall be paid an unclean work allowance of Rs. 3 per month.

Sweepers:—It is agreed between the parties that Sweepers, other than those sweeping Bhangi Gulleys, shall not be entitled to any unclean work allowance.

It is agreed between the parties that unclean work allowance shall not be paid for the period on which the workman is on leave, except for the days on which he or she is on C. L. With regard to temporary workmen it is agreed between the parties that they shall not be entitled to unclean work allowance for the day on which they do not earn their basic wages and D. A.

Date of Payment.—The amount due to the workmen under the terms of settlement on demand No. 1, shall be paid to them within two months of the date of the publication of the award in the *Bombay Government Gazette*.

27	Umreth Municipality	..	..	Safai Kamdars	Umreth	The scavengers of this municipality who attend to the removal of night soil shall be paid an unclean work allowance of Rs. 3 per month from 1st April 1953, within a month of the Award becoming enforceable.	Ref. (IT) No. 141 of 1952, <i>Bombay Government Gazette</i> , Part I-L, dated 28th May 1953, P. 1228.
28	Vijapur Municipality	..	..	Safai Kamdars	Vijapur	Every workman doing unclean work shall be given an unclean work allowance of Rs. 3 per month.	Settlement (No. 1082 of 1954), dated 23rd December 1954.
29	Virangam Borough Municipality	..	..	All Scavengers	Virangam	All the Scavengers shall be paid an unclean work allowance of Rs. 3 per month with effect from 1st January 1954.	Settlement (No. 81 of 1953), dated 5th January 1954.
30	Vadnagar Municipality	..	..	Night remover	Vadnagar	The night soil remover shall get an extra allowance of Rs. 3 per month as unclean work allowance.	Ref. (IT) No. 80 of 1954, <i>Bombay Government Gazette</i> , Part I-L, dated 25th November 1954, P. 3175.
31	Vadia Saher Sudharai	..	..	Safai Kamdars	Vadia	Ra. 3 per month as per recommendations of Vyas Review Samiti.	Settlement, dated 10th July 1959.